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CATALOGING - PREP.

# Press Reports

## Building Rural America

## Rural Development



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*This booklet seeks nothing more than to help improve on the fine job that is being done in telling about the new thrust of Farmers Home Administration programs.*

*The articles displayed are representative clippings of local coverage by newspapers and magazines that have been sent to the National office.*

*Perhaps, among this collection are the types of articles that could be developed by editors of newspapers and magazines serving your area. Suggest to local editors that similar articles could be developed. Offer your assistance in obtaining the facts about the story or any background data needed in developing the article.*

*Chances are the article will reach someone who needs assistance from Farmers Home Administration or who can assist others in seeking our supervised loan services.*

April 1971

*Some TIPS on WORKING WITH NEWSPAPERS . . .*

*\* Answer questions from newsmen promptly — but accurately. If you have any doubt about any information you are releasing, CHECK IT OUT.*

*\* If there is a newsman who has been assigned to report on activities of your office, get to know him. Let him know that when he wants information, you stand ready to assist him.*

*\* Notify reporters in advance of dedications being planned or of loans being closed on rental or cooperative housing developments or community facility projects.*

*\* From time to time you will have news that will be of special interest. When this happens, the attention of the newspaper should be called to the special impact the item will have on its readers.*

*\* You can encourage news coverage on stories that occur in your office by reporting activities — new personnel, loan closing, record loan making — to the press. This type of information can be channeled to news media either by a press release or a telephone call.*

*— On the next two pages is a suggested form that can be used in collecting data for use in developing news articles.*

# FARM FAMILY ANALYSIS SHEET

State \_\_\_\_\_ County \_\_\_\_\_

Family name \_\_\_\_\_ Phone \_\_\_\_\_

Mailing address \_\_\_\_\_

Directions to family's farm from nearest town \_\_\_\_\_

Husband's age and birth place \_\_\_\_\_

Wife's age and birth place \_\_\_\_\_

Family information (ages, sex, education of children) \_\_\_\_\_

Total acres owned \_\_\_\_\_ Value \$ \_\_\_\_\_ Crop acres owned \_\_\_\_\_

Total acres rented \_\_\_\_\_ Crop acres rented \_\_\_\_\_

Approximate value of farm machinery and equipment and brief description \_\_\_\_\_

Approximate value of livestock and brief description of kinds and number \_\_\_\_\_

Approximate total cash farm and nonfarm income in 1970 \$ \_\_\_\_\_

Major source of nonfarm income and percent of total \_\_\_\_\_

Major source of farm income and percent of total \_\_\_\_\_

Approximate cash farm income in 1970 \$ \_\_\_\_\_ Approximate

cash farm expenses in 1970 \$ \_\_\_\_\_ Approximate amount of credit used in

1970 \_\_\_\_\_ Principal sources of credit in 1970 \_\_\_\_\_

Year first received FHA help and kind and amount of first loan made \_\_\_\_\_

Year graduated from Farmers Home Administration \_\_\_\_\_

Net worth year before FHA loan \$ \_\_\_\_\_ Net income and source of income  
year before FHA loan \$ \_\_\_\_\_ Briefly describe types and approximate  
amount of each type of FHA loan used during period family borrowed from our agency \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Briefly describe why you think this family would serve as a good subject for an article on how  
families can still get started in farming today and become full-scale commercial farmers \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

County Supervisor's name \_\_\_\_\_

Date information provided \_\_\_\_\_

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Have FARMER  
PROGRAM articles  
been developed  
like these?

# Young Farmers Get Attention

*FARMER STOCKMAN*  
*Oklahoma – April 1970*



Donald Bay, left, discusses use of credit on his farm with James Smith, FHA administrator, right, and other state FHA officials.

**PROVIDING CREDIT** for young farmers in the right amount at the right time is a challenge the Farmers Home Administration has worn like a glove for over a quarter century.

But the glove is fitting a bit tighter these days, as the USDA credit agency gears up its supervised credit machinery for the 70's.

Under the leadership of Administrator James V. Smith, former United States Representative from Chickasha, the agency is finding new opportunities to serve not only farmers but rural people in communities up to 5,500 population.

"Of particular interest to us," Smith reflects, "is that our water and sewer projects have proven most helpful in rural development. We also are encouraged by the boost to \$850 million in our rural housing program that will enable us to serve the housing needs of many more families than we did last year."

Born and reared on the family farm which he now owns and operates outside Tuttle, Smith has urged that emphasis go to the rising generation of farmers.

"Our attention must focus on young farmers, as we deal with total rural development problems," says Smith. "In the 70's we see the young farmer as the emerging force in American agriculture. We must make a sincere effort to meet his enormous demand for credit, as he takes over farms left by retiring elders. At the same time, we must make good on commitments that already exist."

In recent years, young farmers have been receiving an increasingly large share of FHA farm credit. A spot check last fall of several states in different sections of the country shows that 34 percent of the agency's credit for operating expenses went to farmers who were 35-years-old or under. About 40 percent of the cash advanced to buy, expand and improve farms went to young people in the same age brackets.

Altogether, about 10,000 young farm operators have bought farms, improved existing farms or strengthened their position on the land during the past fiscal year with supervised operating and farm ownership credit from FHA.

Benefits of the credit assistance are encouraging. As seen from the 1968 crop year report, borrowers with farm ownership loans increased their net worth about 35 percent, from \$18,373 to over \$24,000. Borrowers with operating credit from FHA in the same period increased their net worth some 32 percent, from \$12,834 to \$16,897.

"These figures reflect the need for our type of credit," Smith explains. "And the pressure for this type of credit — supervised credit — is showing up in the applications that are accumulating in our county offices."

"We have every reason to believe that in months to come the demand for farm ownership and operating credit from among young farmers will be even greater. So, we have no other alternative than to accelerate our credit procedures to help young farmers get started, and to help small farm operators remain on the land productively rather than crowd into cities."

Farmers Home Administration is beginning to recognize that perhaps the most viable and progressive element among young farmers is the part owner. These are men who own some land and rent additional acres. The system has the advantage of enabling a man to expand his operations without tying up additional money in land. Instead, he may use his capital for

machinery and then rent enough land to keep his machinery and himself profitably employed.

In Blanchard, 33-year-old E. Wayne Wendling uses land rental as a basic part of his farming. A dairy farmer with 52 producing cows, he owns 334 acres and rents another 80 acres. He has experienced steady growth, since receiving his first farm ownership loan of \$19,000 in 1963. He started with 30 cows in a Grade-B dairy operation, and a net worth of just about \$11,000.

With effective use of a \$20,000 farm ownership loan from FHA to buy out his father's operation, Richardson now has a net worth of nearly \$13,000 and a planned gross income approaching \$50,000.

Realizing the special needs of young farmers, Smith has initiated some innovative measures he believes will speed the flow of farm credit to areas where it is most needed.

Individual farmer credit programs have since been concentrated under a single director. Now, state directors deal directly with the assistant administrator, farm programs, instead of 2 division directors when faced with farm ownership, operating or emergency loan credit problems.

Another thing that has bothered the new administrator was the low level of loan servicing and supervision by



James Smith, left, and Earl Morris, jr., Ninnekah, discuss home financing with other FHA officials at Morris' new home financed by FHA.



county supervisors. In one state, for instance, county supervisors counseled borrowers on an average of one visit in 18 months.

**The administrator has directed state offices to concentrate on supervision and servicing loans to give borrowing farmers a better chance at being successful while at the same time working to reduce the delinquency rate on loans.**

Families who otherwise might have been forced off the land turned to Farmers Home Administration last fiscal year for over \$600 million in loans to accomplish farm ownership and meet emergency and operating expenses.

In Oklahoma during fiscal 1969, nearly half the agency's credit assistance went to help farmers establish a foothold on the land and to remain in farming. Some \$17.2 million went for farm operating, farm ownership and emergency loan credit.

Donald L. Bay, of Noble county, is an example of a young man who has become a successful farmer with Farmers Home Administration credit. He started with the agency in 1954, shortly after being discharged from the army. His net worth then was slightly under \$4,000.

The first in several FHA credit advances was a \$5,500 operating loan, which started Bay in a dairy operation on a 160 acre farm. Before

he could get established, hail the following year destroyed his wheat crop. The next year a sudden freeze destroyed about 100 acres of winter oats, an investment of nearly \$1,400.

**With love of farming in his veins, Bay refused to give up. In 1959 he moved to another farm and switched to a beef cattle operation. He owned 320 acres and rented 3 additional quarters. He used an \$11,000 operating loan to buy a new**

**tractor and a plow, and invested \$5,500 in cattle.**

The next several years were good and productive. Bay had good crops, followed his farm and home management plan, and effectively used the county supervisor's advice. In 1968 he increased the size of his farm by some 160 acres, with a \$46,000 farm ownership loan that included \$3,000 to repair the barn and granary and \$2,500 for pasture improvement.

A recent review of Bay's loan record shows he is current on his payments and his net worth has increased about 10-fold to \$45,000.



James Smith, left, and Everett Lovell, discuss credit plans with Mr. and Mrs. Bay

# YOU CAN STILL START ON A SHOESTRING

BY ARLAN BENTEMAN  
as told to CHESTER PETERSON, JR.

Photos by Chester Peterson, Jr

*You don't have to "inherit it" or "marry it," to win in farming these days. You can earn your way up when good management and hard work are supported by sound financing. Kansan Arlan Benteman tells how*

□ The idea that you can start from scratch and build a winning family farm operation in agriculture isn't as dead as many people think it is. At least you would have a hard time convincing Arlan Benteman and his wife, Shirley, Washington County, Kan.

Eleven years ago, he began farming with 220 acres of rented cropland, four sows, a wind-pierced barn that housed them, and a total net worth of less than \$10,000. Today, he's farming 1,030 acres and is finishing pigs from 700 litters a year—and he's still growing.

How did he do it? Hard work and timing were important, of course. But the key was financing—the right money at the right time, well managed. Here's his story:

To begin with, I enjoy farming. I always have, and I always thought farming was something I would like to "grow old at" rather than any of the other jobs a man can hold.

Farming was my aim in college and the reason I worked as an assistant county agent after graduation. The Extension service was a good education, but I didn't plan to grow old at it.

Why talk about love of farming? Because the day is sure long when you hate to go to work in the morning and you look forward so longingly to quitting time.

When my wife, Shirley, and I rented our first little farm with no real buildings or indoor plumbing and a small converted barn for the four sows, about all we had was love of farming.

She worked at a teaching job, and that helped. But that first miserably cold winter was quite a shakedown effort.

We bought a bunch of steers and heifers for wintering to put them on grass or feed later. My wife also had some cows that developed from a former 4-H project. But with inadequate facilities and too much capital in those cows, we decided to concentrate our efforts on hogs.

And we're glad! We had problems with hogs that first year—you pay a price for being in the hog business. Yet those few sows and their offspring made us more money that first year than all our cattle.

We decided that hogs didn't require the large capital outlay that cattle did. It takes an awful lot of money to get sufficient volume in cattle.

I didn't have that kind of money and couldn't borrow it anywhere. And, the turnover and percentage of return on gross income is so much higher with hogs. In fact, it's at a much faster rate than wheat and milo, the two dryland crops we raise.



*TOP OP — Continued*

Ten years of Benteman progress in the hog business is shown in these two pictures. At right, Linda Benteman, 5, rides her tricycle on the concrete slab in front of the hog house first used by her dad when he started. Below, Arlan Benteman shows his new finishing unit to his banker, E. F. Goernandt of Clyde, Kan.







"Arlan's a pioneer in several ways," says banker E. F. Goernandt, foreground above, looking over the operation with customer Benteman. "He began small, but built his program year-to-year by plowing back earnings," the banker says. Benteman discusses unloading bulk hog feed with his man, LaVern Miller, in the photo upper right. At center, he checks with another man, Ronald Jackson, and weighs hogs on farm scales in the photo at lower right.



**A couple of years ago** we figured that we had around \$200 per sow unit in capital investment and facilities. Add a conservative \$50 for the sow and maybe \$150 in feed and the total is \$400.

In a year's time there are generally at least 14 pigs from the sow at \$50 a head, \$700, or almost twice the gross return from them as capital invested. And we figured we should be able to do better than 14 pigs a year, too, so began the attempts to set up right in the hog business.

Next to "turnover," we rated "volume" potential most important. If there isn't sufficient volume it doesn't make any difference how efficient your production is.

But you can't get into hogs or any enterprise without some capital. We needed money for operating expenses and improving our facilities.

The problem was that most lending institutions wouldn't look at us. There was one banker that helped us—E. F. Goernandt, president, Elk State Bank at Clyde. And now that we're working our way up, he's still our banker. We remember when he climbed right out on that limb with us.

We needed more backing, though, and went to the Farmers Home Administration. There we found a supervisor, Warren G. Whitaker, also willing to join us and the banker out on that shaky limb. FHA is set up to loan money to low-equity farmers to help improve their business. We definitely fit into this classification.

They also stress improving income to increase the money a farmer has for family living in addition to paying off debts. The grocery bill comes first. However, when dealing with the FHA you do have to put up everything you own, except household furnishings and car. Our first FHA loan in 1959 was for \$10,000. We used it half-and-half to improve our scanty facilities and for operating expenses.

Eventually we realized that to be in a volume business we had to have more buildings. Buildings are to the livestock producer what tractors are to a cash crops man!

**So we bought our first 80 acres**, now our head-

quarters unit. Then the FHA loaned us the money to build our first farrowing house.

This let us handle more hogs, which meant we needed more of this, then more of that, which in turn meant we needed even more facilities.

Eventually in 1965 we were in good enough shape to graduate from the FHA program—something they encourage. We borrow now mostly for expansion rather than for meeting current operating expenses.

Certainly we've had our problems. Once we even had to depopulate due to rhinitis. But we've either whipped our problems or eliminated them.

The thing is, you can't let your troubles get you down—a problem with many farm families. They get discouraged, then pessimistic. That's the wrong attitude if you're aiming to make something good from your efforts.

When I talk with my banker, I do it with confidence—not in the traditional way with fear because he has all that power. I don't see mine as an unfriendly, fire-breathing dragon. Actually, I consider him a partner. Your financial source is a partner, both unseen and legally, because in the eyes of the bank examiners he has his name on our mortgage, too.

One thing we did when we first began borrowing and building our business was to put a priority on everything. We try to put our money where our biggest problem is.

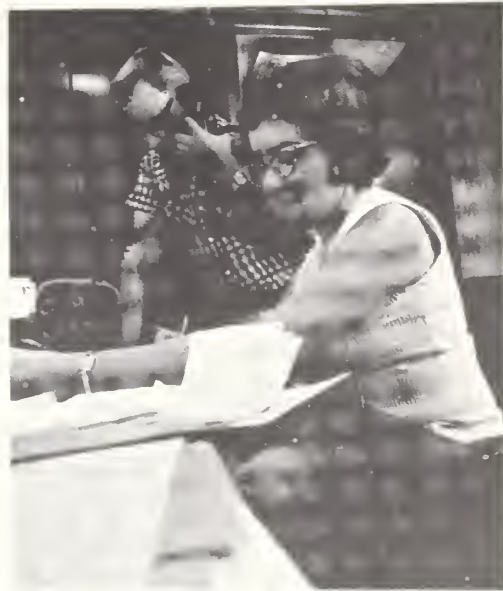
So our first facility money went for a farrowing house. Then we built a nursery. Next came another farrowing house. Now we're going into confinement finishing, at the moment, putting up our third finishing barn.

Setting up priorities is easy. Following them isn't always. In our case it meant driving the same car for nine or 10 years, for instance. We've used some field equipment that was old, and did without other equipment that would have been awfully nice to have.

We could still use another tractor or a newer and bigger combine. However, we can hire someone to help us harvest a couple of hundred acres of crops. But it's impossible to rent a pig house, something we can use 365 days a year.



"We try to channel our investment money into things we can't hire or rent," says Arlan Benteman, shown here with his wife Shirley in their farm office. This means building year-around usable facilities sometimes instead of buying field equipment which can be hired. The Bentemans have three children, Gary, 10, Glen, 7, and Linda, 5.



It might seem a contradiction to point out we had the first four-row planter in the area—and got laughed at for this "honor." But getting our crops in at the optimum time was a priority item, and we invested in timeliness. Since then we've bought a six-row planter.

In a sense we've also developed an investment in labor. As we expanded we needed more help, now three full-time men and some part-time labor.

**Unless you can trust your operation** with the people you hire you'll have to keep your "nose to the grindstone" just as if you had no help. This won't be good for either your business or your family. And your family is an important part of your total life.

To really enjoy farming a man has to be able to get away—take vacations like city folks, get away for professional meetings, and visit different hog operations in other areas.

Look at a good hog farm, and you'll see a place where the labor is also good. You have to pay your labor well. You also have to make them feel they're contributing something.

That's why we have a bonus system and also pay overtime. We pay some bonus regardless of whether hog prices are high or low, because the help has to live either way. Why penalize them for down prices? They work just as hard anyway whether prices are up or down. Or they should.

The same for overtime. If a job takes longer to get done than we figured, we feel it's worth something to have it completed when planned. So we pay overtime.

Basically, we're still following our original premises. We tried to get into a business that allowed a certain volume of production and a good turnover per dollar invested.

Thanks to some lenders that gave us a hand, we're still growing! ◀

### **FHA—New accent on enterprise**

Aggressive, hard-working young farmers like Arlan Benteman have been "graduating" from Farmers Home Administration loan programs for years, as this story shows. But under the current administrator, James V. Smith, this has become a major aim. The idea is to help the young farmer with big potential and little or no private credit develop into full-fledged commercial farming and financing—give him an alternative to "inheriting it" or "marrying it," or a chance to buy into the family farm long before he could possibly inherit it. Some 40% of FHA's farm ownership loans and 34% of its operating loans go to farmers under 35. Around 5,000 borrowers last year "graduated" to commercial financing and farming in addition to 15,000 loans that were repaid and not refinanced. In fiscal 1970, FHA had 191,000 farm ownership and operating loans outstanding.



## Hoosier Personalities

# Farming's in the Blood Of Harold Gault Family

By CLIFF ROBINSON

Courier-Journal & Times Staff Writer

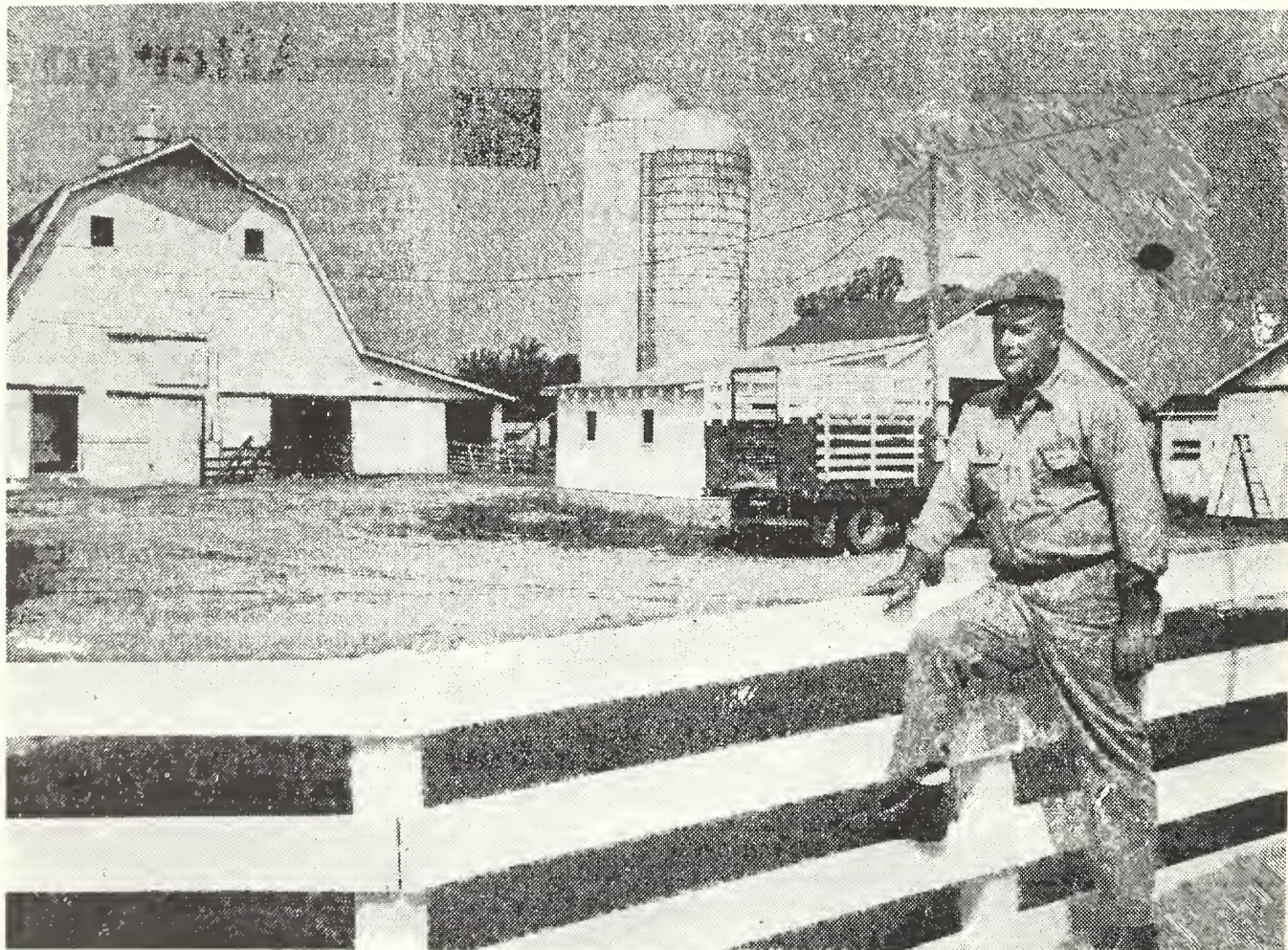
WESTPORT, Ind.—At 5:30 every morning, the Harold K. Gault family falls out to greet a dairy herd of more than 100 Holsteins eager to get into the milking room.

Eager cows? Sure. They get their morning feeding while standing at attention

in the milking room and could care less about what's going on underneath.

By 8 or 8:30 the job is finished; the milk—up to 3,000 pounds—is in the hulk tank, and the Gaults are ready to turn to other chores, such as;

✓ Looking after 175 head of beef cat-



Staff Photo by Cliff Robinson

STANDING ALONGSIDE a fence on his farm north of Westport, Ind., is Harold K. Gault, chosen

by the Farmers Home Administration as its "Farmer of the Year" in Indiana.



tle and 70 brood sows, the calves and the pigs.

✓ Feeding and pampering the quarter-horses and their offspring.

✓ Cleaning up the dairy barn and milking room.

✓ Planting, harvesting and storing the feed crops, such as corn and hay.

✓ Eternally servicing and repairing the equipment.

Sometimes they even manage to steal a little time in the morning for breakfast.

And often, by 11 p.m. or so, the day's work is just done; dinner just getting on the table, and a whole new day ready to dawn with the Holsteins impatiently waiting to start the procedure all over again.

Sometimes life on the Gault farm, just off Ind. 3 north of Westport, is a little different, like a few nights ago when a sick calf kept them up most of the night. Unfortunately it died.

From the highway it all looks idyllic—farm life, gleaming white barns, silos and fences; cattle grazing in the fields. Sometimes Gault might even be seen leaning, apparently leisurely, against the barn. What he's really doing is trying to get his breath and figure out where to turn next.

But he wouldn't have it any other way, and that is one of the reasons the Farmers Home Administration chose him as its "Farmer of the Year" in Indiana.

Enterprise, accomplishment, love of the soil, and above all an outstanding record proving that farming is still a rewarding operation for those who are willing to meet the challenge.

Gault was born of farming parents 44 years ago in Jennings County, but has spent most of his life here in Decatur County, one of the biggest livestock-producing counties in Indiana.

He grew up in the Sand Creek area, working on his father's farm some two miles northwest of Westport. There was never any doubt in his mind. He loved farming.

Gault graduated from old Sand Creek High School and almost immediately was drafted into the Army. He spent 1 1/2 years in the infantry, which certainly kept him in touch with the soil.

When he came home he went to work on his father's farm; married his sweetheart, Lela Goins, and began thinking about their future.

But he had little stake, and rented a 100-acre farm on a share-the-cost, share-the-profit basis. They started out with four milk cows, eight brood sows, seven head of beef cattle, and 100 laying hens.

He and his new bride did all the work,

furnished most of the equipment, shared the cost of such things as fertilizer and feed with the land owner, and wound up in two years with some \$4,000 in assets.

#### Bought 75-Acre Farm in '52

"We made a living, paid our debts, and built up a little nest egg to move out on our own," he said.

In 1952 they took the big step (with the help of the FHA) and for \$1 down, plus some \$20,000 on the cuff, bought the 75-acre farm on which they now live.

They arrived there with six milk cows, seven head of beef cattle, eight brood sows and about 200 chickens—their share of the assets built up on the rental farm.

Their sons—they have four—were beginning to come along, too. Future farm hands.

In 1961 Gault went back to the FHA for more financing, bought a 175-acre farm some two miles away for \$40,000, and began working both farms, 250 acres in all.

Today Gault estimates his lands, improvements, livestock and equipment are worth perhaps \$200,000—a success story, built on sweat and tears, that the FHA took notice of.

The Gault farms are a total family operation now, with little outside help ever hired. Son Jim, for example, (he's 12) is the quarter-horse man. He handles them, sees to their feeding and general care, and then moves on to the fields as needed.

The other boys have their daily assignments during the school-vacation months, and Mrs. Gault, in addition to the heavy chores of a farm wife, often feeds the hands in the fields.

The milk check—that's always been the big meal ticket for the family.

"We've always had the milk check, if we didn't have much of anything else," Gault said.

He built up his dairy herd from his own stock, with only three outside purchases.

#### Two Busmen's Holidays

Would he do it all over again—the 16-hour work days, the uncertainties of crops, the rise and fall of the agricultural market, the endless chores?

He said he would. So did Mrs. Gault.

They have managed to get away twice for a week at a time on vacations, with the boys back home running the farms.

And where did they go? To visit Mrs. Gault's sister, who lives in Maryland, and whose husband is a veterinarian.

And what did Gault do? Spent most of his time accompanying his brother-in-law on his rounds treating sick farm animals.

"I guess it's just in the blood," he said.

# *Poverty Fails to Dampen Fighting Spirit of Ridgeway Area Farm Family of Nine*



**THE HEAD OF THE HOUSEHOLD, Tom Smith, looks over his herd of beef cattle, which is the key to his family's hope for the future. Coming to Harrison county in 1966, the Smith's economic position has improved measurably over the last few years. (Republican-Clipper Photo)**

Entrapped in a cycle of poverty all of their lives, times have been pretty harsh for the Tom Smith family of Ridgeway.

But the Smiths were unwilling to accept their economic plight and moved to Harrison county in 1966 bound and determined to change it. The returns have begun to come in.

Living on a farm east of Ridgeway, the family now is be-

ginning to break free of the smothering snare of poverty and what's more, has hopes for an even brighter future.

While the American dream of prosperity still escapes their grasp, the rise from their previously hopeless economic plight might be termed a partial—if not complete—farming success story.

Mr. and Mrs. Smith are the

parents of seven children, ranging in ages from six months to 12 years old. Five of the children are of school age and two are pre-schoolers.

Before moving to Harrison county, Smith farmed on irrigated land in Colorado. But, finding he couldn't support his large family on the returns from this operation, he moved to the city and began work as a gaso-



line transport driver out of Colorado Springs.

This too was unacceptable to the Smiths, so in 1966 they came to Harrison county.

At first things didn't look very bright for the Smiths here either.

They were confronted with the **seemingly impossible task** of making a living on a tract of land that hadn't been farmed in 10 years. Impossible to most, but not to the Smiths who are accustomed to facing uncertainty.

In the early winter of 1967, Smith made application to the Farmers Home Administration for an operating loan.

His application reflected, according to FHA county supervisor, Charles Coon, an income for the previous year of less than \$1,500 against over \$3,400 in expenses. His net worth at that time totaled a little over \$4,200, a third of which was equity on the 80-acre farm he had contracted to purchase the year before.

Smith's chattel assets consisted primarily of four dairy cows, a 14-year-old tractor, eight implements and 600 bales of hay.

In his application for an FHA loan, Smith asked for financial help to buy additional dairy cows, to make improvements on his farm and to buy needed equipment.

That first year \$9,200 in loan funds were advanced, as a result, the Smiths were able to increase their income to nearly \$5,000.

By 1968, however, it was obvious still greater gross income would be necessary if the family was to continue on the farm. Thus, to the 20-cow dairy operation was added a five-sow hog program to raise feeder pigs.

The addition of hogs to their operation increased the year's income to \$7,140.

The next step came when Smith began inquiring about additional land he could rent to provide for further expansion. In February

of 1969 he not only found 290 acres he could rent but also learned that most of it was improved pasture which could be used for both hayland and pasture.

One of the owners of the farms available for lease also had 26 top quality Hereford cows and two bulls for sale.

After much planning with Supervisor Coon, it was finally decided that the Smiths should lease the additional land even though it meant increasing their debt load over 300 percent to permit the purchase of fifty beef cows, a larger tractor, a hay baler and rake, besides additional equipment for increasing the hog program.

When the Smiths sat down to total their records at the end of the year, after additional purchases were made, they found that their income had climbed to over \$12,000 for the 1969 crop year, and a new financial statement reflected a \$5,800 increase in net worth.

With the hog program now expanded to 19 sows and farrowing eight months out of the year, the planned farming operation for 1970 revealed an estimated income of almost \$20,000.

The Smiths are firm believers in a good record system. They keep monthly records of sales and expenditures and prepare an annual financial statement.

Although they are far from out of the financial doldrums, these records reflect a brighter future for the Ridgeway farm family.



MR. AND MRS. TOM SMITH, sitting in the foreground, look over farming records that show a brighter future for the couple and their seven children after coming to Harrison county to improve their economic condition. Charles Coon (sitting between the couple), county supervisor of the Farmers Home Administration, keeps in close contact with the Smiths, helping them plan for further expansion of their farming operation near Ridgeway. (Republican-Clipper Photo)

# Farmers Home Administration Aid Changes Farmer's Life

George Gale of Cash has witnessed many changes in farming in the past 30 years, since he purchased his 80 acre farm back in 1939. Soybean production has replaced corn, hay and pasture land. He switched from a two team rig to a two row tractor years ago. But the part of farming that has not changed through the years is the assistance available to Gale and other farmers through the Farmers Home Administration.

He feels that the Farm Ownership Loan Program has been very helpful to him and to many farmers in the area. He said that to him the loan has been the difference in remaining on the farm or leaving the state for other employment.

Gale made application for his first loan in 1939. The purpose was to purchase an 80 acre farm and build a house and service buildings one mile northwest of Cash. The loan, approved and closed early in 1940, was made under the Tenant-Purchase Law of the old Farm Security Administration. This law provided for low income tenant farmers to become land owners and operators. Gale had been a tenant farmer for 18 years before obtaining the loan.

The family, consisting of Gale, his wife and three daughters, owned four head of work stock two cows, two calves, 14 hogs and 100 chickens. Farm tools consisted of a wagon, 2 cultivators, a disc

harrow, a breaking plow, a section harrow and hand tools. He owned \$160, valued other property at \$600 and \$200 in cash.

His first farm plan showed cotton, 22 acres; corn, 26 acres; hay, 10 acres; pasture, 6 acres; woodlands, 13 acres and farmstead, 3 acres. The estimated yield was 280 pounds of cotton and 24 bushels of corn per acre. Cotton was selling for ten cents per pound and corn for 60 cents per bushel. The estimated gross income from crops was \$893 and \$188 from the sale of livestock. His actual income in 1940 was \$808 and his total cash expenses were \$565.

Building costs were only a fraction of what they are today. The house cost \$1,600, the barn \$433, the poultry house \$80, the smoke house \$60 and fencing \$88. Carpenters were paid 60

cents per hour, helpers 35 cents and laborers 25 cents per hour.

Cotton is still produced on the farm along with soybeans. Gale said that his production of cotton is about 625 pounds per acre and soybeans average 25-30 bushels per acre. He credits improved varieties, fertilizer, lime and cover crops for the increased production.

In 1963 Gale obtained a home improvement loan from the Farmers Home Administration. His house was made completely modern including a new kitchen and bathroom. The farmstead also consists of an attractive lawn and a home vegetable garden. Much of the annual food supply is still produced in the garden.

Gale stated that he had some very trying years in meeting his obligations but ownership of the farm has provided a decent place for his family to live and educate the children. The farm has provided for the full use of family labor and has provided a livable income for Gale and his family.

## F.H.A. Helps Young Farmer

Bobby L. Pool a young dairy farmer in Ballard County says that he probably would not be in business today if it was not for the Farmers Home Administration. In 1962, when Mr. Pool first conducted FHA he was evidently having some type of difficulties because he ask for about \$8,000.00 to refinance his debts. With a loan from F.H.A. at this time, Mr. Pool was able to pay off old operating bills, refinance his chattel debts and set them up over a longer repayment period and to borrow some money for annual operating expenses. This was just a start because this brought Mr. Pool out of debt and made it possible for him to continue farming. Mr. Pool praises the FHA loan program for being able to let him borrow money with a longer time limitation and generally at a lower rate of interest.

Mr. Pool has made a very marked improvement in his dairy operation in the past 8 years in that he has been able to decrease his herd size since 1962 but he has been able to increase his gross income by 129 per cent. Mr. Pool has been able to increase his herd milk average from minus 7,000 pounds in 1962 to 13,400 pounds of milk per cow in the past twelve months. Mr. Pool attributes his good fortune to a good sound

feeding program and an extremely good breeding program through artificial insemination. Mr. Pool said "I would never be able to purchase a \$20,000 to \$250,000 bull but through AI I am able to use this type sire for a very nominal fee." By using these sires Mr. Pool has been able to upgrade his herd to get the production needed for a successful operation. Mr. Pool has also determined that a portion of his success to the keeping of records, especially production records.

Not only has Mr. Pool doubled his income, increased his herd milk average, decreased his herd size, but he has also more than doubled his net worth, but yet kept his debts to a minimum.

It appears Mr. Pool's success is not due to any one factor but Mr. Pool gives credit to FHA for being able to continue in his farming operation.



# FHA Honors Lucases As 'Family of the Year'

The Harold W. Lucas family, Bellefonte RD 2, will be honored as Pennsylvania's FHA "Farm Family of the Year" at a dinner meeting in Selinsgrove today attended by agricultural leaders, state and local officials, farmers and rural citizens participating in the Pennsylvania Rural Development Committee's Tour of the Central Susquehanna River Basin.

P. Kenneth Shoemaker, former vice president for government relations, Heinz Company, will be the principal speaker on a program in which other participating will include Herman T. Schneebeli, 17th Congressional District, Leland H. Bull, secretary, Pennsylvania Department of Agriculture and Thomas H. Patton, Cooperative Extension Service.

The award will be sponsored by the Farmers Home Administration, the rural credit agency of the U.S. Department of Agriculture.

As a boy on a Centre County farm where his parents were "hard-working owner-operators," Lucas learned to love the land and dreamed of owning his own farm some day.

In due time Lucas, now married to the former Nyna Marie Hancock of Loganton, who shared his ambition to build a life on the farm, began farming for his father.

They worked hard and made progress, but found that farming for someone else failed to bring the satisfaction of "building something you can keep." They continued to talk and dream of owning their own place. By 1960, they had gained enough in experience and savings that they felt prepared to take the step toward farm ownership.

They turned to the Farmers Home Administration for financing to take over a farm in Nittany Valley where they would make dairy farming their main enterprise. Eventually a suitable farm operating loan was arranged through FHA in 1960 to purchase livestock and equipment. In 1961, the Lucases received an ownership loan — and with it, purchased their farm.

Mr. and Mrs. Lucas, with their two children, Andy, eleven, and Amy, nine, operate a 210 acre farm in the fertile Nittany Valley, crop 160 of those acres, milk 43 head of Holsteins and care for an additional 31 head.

They reap five tons of alfalfa hay per acre, produce 120 bushels of shelled corn per acre, and ensile 28 tons of corn silage per acre.

Efficiency is a key to their success.

Contributing to the efficient operation is a detailed system of record keeping, with

Mrs. Lucas in charge. She can tell a visitor how much each cow consumes at every feeding, each cow's production record, the current status of cash outlay for farm services and equipment.

The Lucas family's participation in DHIA has paid dividends. In 1969 the herd turned in the third highest production average in the County — 16,648 pounds of milk and 608 pounds of butterfat — and won for them a gold plaque. It was the first year the herd's butterfat average exceeded 600 pounds.

What advice does Lucas offer other farmers new in the business?

Take advantage of all the professional help that's offered, he says.

Help your cows through a sound program of breeding, feeding, and management which has a scientific basis for forage testing, soil testing and Dairy Herd Improvement Association records.

The family takes an active part in community affairs. He has been a Director of the Centre County Soil Conservation District, member of Hubbersburg Fire Company, Pennsylvania Farmers Association, Dairy Herd Improvement Association and other organizations.

Children are in the 4-H Club, Church Choir and Boy Scouts.





### *At home...*

THE HAROLD W. LUCAS FAMILY, selected by the Farmers Home Administration as Pennsylvania's Farm Family of the year, includes Amy, 9, Andy, 11, Nyna and Harold. The Lucases will be honored by state and national officials at a dinner tonight in Selinsgrove.

## Mr. Roberson Pays Off Loan



David Roberson discusses with Farmers Home Administration Director Joseph E. Burke how he has been able to double his corn and peanut crop yield in two years by using the assistance available under the FHA program.

Actually David Roberson of RFD 1, Girard, Ga., had dropped by the FHA office Tuesday morning to pay off his "Operating Loan", when we happened to stick our head in and ask if there were any news. Mr. Burke and Mr. Roberson then explained what was taking place, Mr. Burke said that he would like to share this information

with people of this area. And this is the story.

Mr. Roberson is a general row crop farmer. Three years ago he was producing a little less than One-half ton of peanuts to the acre on his farm. With a FHA "Operation Loan" from FHA, and the up-to-date materials and information on the farming practices, provided through office and field visits, Mr. Roberson produced a ton of peanuts to the acre this year, his second year of participation, and also doubled his corn yield. Next year he says he is going to "shoot for 1 1/2 tons of peanuts to the acre."

How is the  
**HOUSING**  
story being told  
in your area?





By FRANK A. BARTONEK

**M**ANY rural people believe that all the talk about tight money and high interest rates means they cannot get money to improve their housing. Actually, the opposite is true.

There is housing loan money available at reasonable rates, (generally 6¼%) and waiting for qualified rural families. In fact, the Farmers Home Administration of the USDA is looking for applicants among rural people who need help in financing better housing, essential farm service buildings and related facilities.

The rural housing program in most states needs housing applicants, and also experienced contractors willing and able to build moderate housing in the \$12,000 to \$17,000 class.

Information about the program is as near as any county office of the Farmers Home Administration.

"The Farmers Home Administration is here to help the rural family who needs credit assistance," explained Russell Beckham, district supervisor in Eastern Kansas. "Any rural family that does not have decent, safe and sanitary housing, and is unable to obtain the necessary financing from usual sources, on terms and conditions they reasonably can be expected to fulfill, should inquire into the rural housing program of the FmHA."

The federal rural housing program is being sharply accelerated. In fiscal 1969, the agency had \$486,221,000 available. The 1970 fiscal year estimate is \$821 million, and the request for fiscal 1971 is \$1,435 million. The funds are not from direct federal appropriations, but are provided by selling FmHA-insured notes to private investors.

"Rural people do not seem aware of this expansion, or that non-farmers can also borrow from FmHA," said E. Morgan Williams, Kansas state director. "Rural housing is one program that is adequately funded."

Loans are made to farmers and other rural residents in open country and rural communities with populations of not more than 5,500.

Loans are made to build and repair needed homes and essential farm buildings, to purchase existing homes or buy sites on which to build. The interest rate can vary, depending on family size and income.

"The rural housing program is designed to help the needy, but not the greedy," one official said.

Example: A family bought a farm with a two-story, structurally-sound house built in the 1860's. With a loan of \$7,000, the house was updated by replacing the old roof with a low-pitch roof and other modernization. The remodeled farmhouse is attractive and far more comfortable than the original dwelling.

In another case, a young family needed assistance in financing a house in a small

community. The FmHA approved the 1,100 sq. ft. house and granted a loan of \$13,500 for construction of a 3-bedroom home.

An existing farmhouse was in too poor condition to justify remodeling, FmHA investigators found. The family was granted a loan for construction of a new \$13,000 home.

Loans are also made to provide rental and cooperatively owned housing in rural areas. Funds may be used to build, buy, improve or repair rental or cooperatively owned housing designed to meet the needs



**FHA FUNDS** provided the force to raze the original farmhouse and replace it with this modern one-floor ranch style home.

of senior citizens capable of caring for themselves.

In mid-February, USDA announced that FmHA would start a conditional commitment program that will permit the agency to finance small subdivision-type housing developments in the nation's small towns. Previously, the agency could finance building of new homes only on a single unit at a time basis. FmHA will hold builders to 15 commitments at any one time.

James V. Smith, agency administrator, called on housing contractors, developers, sellers and other segments of the construction industry to step up the program to upgrade low and moderate-cost housing in rural communities.

It is estimated that about 80,000 housing starts under the rural housing program will be made this year, compared to 50,000 in 1969.

FmHA loans supplement, but do not compete with credit provided



## Rural renewal the FHA way



**A PROJECT** called Community Homes, Inc., in Nortonville, Kan., has provided comfortable, economical living for Mrs. Bertha Haines, left, and her daughter, Mrs. Edith Darrow.

by other lenders. Borrowers must agree to refinance loans with other lenders when they are able to do so. This frees funds for other qualified families.

"The Farmers Home Administration is not a welfare organization," Williams stressed. "It is designed to help rural families who want to help themselves. Each loan by the agency is made on the basis of need and the family's ability to make payments when due."

In addition to the housing loans described, Farmers Home Administration advances funds to construct housing for migratory farm labor and rental and cooperative housing units. It also manages a program of self-help housing, under which low-income families build new homes under the direction of experienced supervisors.

The agency's programs have been broadened to include more than 23 categories including loans for building improvements farm operating expenses, rural water districts, land and water development, irrigation, grazing land development, etc.

The size of the rural community FmHA can serve has also been in-

creased from 2,500 to 5,500 population.

The agency is authorized to advance credit for housing for families with low-level incomes and for development of non-farm enterprises to supplement farm income.

The rural housing program shows the sharpest gains and expansion. Private investors show an interest in FmHA rural development activity by providing funds for rural housing and other construction projects insured by federal government.

# FHA Opens Pellston Moderate Housing Project

BY KEN BAKEWELL

**PELLSTON** - The United States Department of Agriculture Farmers Home Administration is providing rental housing for moderate income families in Emmet County.

A relatively simple plan has been activated by which families having an income up to \$8,000 are eligible for housing.

Loans for construction are available from FHA with repayment up to 40 years at six and one-quarter percent interest. The dwelling must be erected in a community having 5,500 population or less and no construction should exceed the need for rental housing. It's preferred the housing units be located in rural villages close to business services.

Duplex construction is advised since the design permits lower rental rates due to savings in construction costs.

One such duplex was recently completed by George Parker, of Brutus, who built off Riggsville-rd. at Pellston.

Constructed on a lot of 100 by 162 feet the frame duplex has two bedrooms, a bathroom, kitchen, dining area and laundry space in each unit.

Rental-one unit is already leased-is \$100 per month. If the tenant chooses not to pay for his own heating then the rental is \$110 monthly.

The duplex at Pellston was built from an FHA plan which

was adapted to make available an additional eight square feet of floor space for each unit.

A hot air furnace is installed under the frame dwelling and is interconnected for emergency use. Hot air tanks are also beneath the house. The chimney is cleverly placed in a unusable kitchen corner-cupboard space.

The common wall between the units features a sound proof construction. Behind the fold doors is a space for the laundry center- a washer and dryer- with ample shelving for laundry supplies. The laundry center is adjacent to the kitchen cabineting and sink, giving work space for folding purposes.

If no washer and dryer is installed a rod under the shelf will permit seasonal storing of clothes. Other occasionally used items such as card table, chairs, hobby equipment and outdoor game equipment may also be stored.

Kitchen wall cabinets have adjustable shelves, positioned so homemakers can reach a maximum of space easily. Work and storage space is provided with each major appliance, allowing three centers, mixing, cooking and serving and clean-up.

The cabinets, appliances, floor covering and wall finish are all color coordinated. There are three telephone jacks built into the wall. One is the wall common

to the living room and kitchen and one is each bedroom.

The clothes closets in the hallway divides for convenient storage of linens and a place to accumulate clothing and other washable laundry. Each closet has an extra shelf and rod space built in. There is also a guest wraps closet.

Bathroom surfaces are for easy care including the vanity. The bathroom, like the kitchen, has a vinyl floor. The living room and bedroom floors are covered with FHA specifications approved carpeting.

Beds may be placed in two or three places leaving space for other essential bedroom furniture.

A utility closet is included in the floor plan to provide space for brooms, vacuum sweeper, ironing board and other supplies. The closets are shelved and have ample hanging space.

Throughout the units the wall paneling is of beautiful birch with a highly durable, easy care finish.

Usual cost of constructing a duplex is \$20,000 depending on local conditions, a representative of FHA said.

The local Farmers Home Administration loaned \$114,000 to eligible rural families for housing during the first quarter of 1970. Stuart Mosier, county supervisor and Miss Dorothy Scott, assistant supervisor, said. Ample funds





**THE PELLSTON DUPLEX** - This frame duplex was constructed by George Parker, of Brutus, and will be rented by families with incomes not exceeding \$8,000 as stipulated by the Farmers Home Administration, the agency that supplied the loan for its construction. The duplex is situated off Riggsville-rd. at Pellston. Emmet County residents, who qualify, can build this type home for approximately \$20,000 on one lot or one scattered lots. (NEWS photo by Ken Bakewell)

are expected to be available for housing purposes during the second quarter of 1970 they added.

Funds are available for eligible rural residents to build new houses this spring. Loans may also be used to purchase used and newly constructed houses.

Mosier noted that FHA credit is available only to those unable to obtain adequate credit elsewhere. "It is a vital factor in United States Department of Agriculture efforts to obtain adequate housing for rural people."

Interested persons may contact the local FHA office for more information. The office is located in the City-County Building, Petoskey. The phone number is 347-4551.



**PELLSTON RURAL HOUSING** - Stuart C. Mosler, county supervisor and Miss Dorothy Scott, assistant county supervisor of the Farmers Home Administration inspect the cooking range with George Parker, the builder of the moderate income duplex at Pellston. Rental for the two bedroom

dwelling is basically \$100 monthly. The United States Department of Agriculture Farmers Home Administration is providing Emmet County residents with construction loans for this type housing. (NEWS photo by Ken Bakewell)



# Richey One of 1st to Receive Commitment

CHARLESTON — Mr. Donald Richey, Ashmore home builder, has received one of the first Conditional Commitments in the State of Illinois from the Farmers Home Administration which received authority to make Conditional Commitments on Feb. 5, 1970. The Commitments will cover five new homes which will be completed in the Donald Richey Subdivision, City of Ashmore.

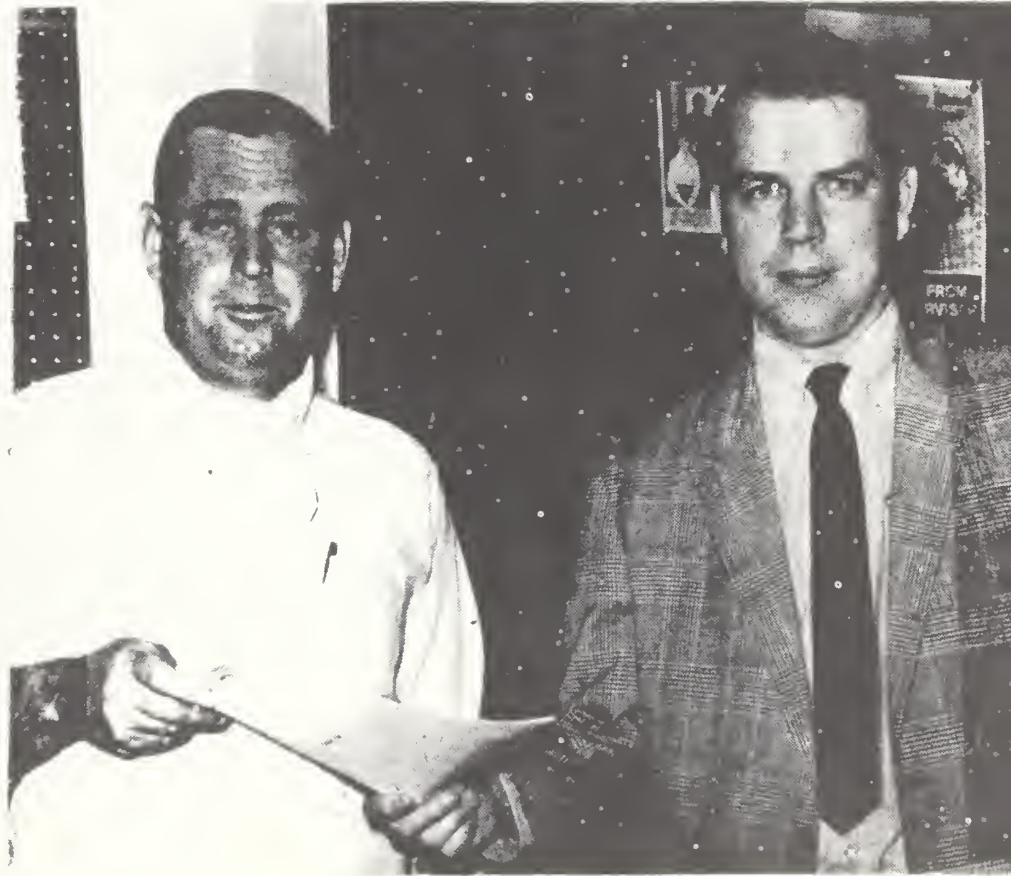
Richey has submitted plans and specifications and paid \$45 per house for the Conditional Commitments. The Farmers Home Administration staff will perform periodic inspections on the five new homes during construction. The Conditional Commitments state that the Farmers Home Administration will make an \$18,400.00 loan on each home that is being constructed, providing the individual applicant who applies for each loan meets the eligibility requirements of the Farmers Home Administration.

Richey plans to sell the new homes for approximately \$18,500 each. The payments on these homes will be approximately \$135, twelve months per year. This amount includes taxes and insurance. The homes will consist of approximately 1200 square feet of living area with a one car attached garage.

The Farmers Home Administration makes loans in communities and rural areas of less than 5500 population. If a family or contractor is interested in obtaining financial assistance from the Farmers Home Administration, they may contact Randall B. Huber, County Supervisor, or

James R. Burns, Assistant County Supervisor, at 750 — 4th Street, Charleston.

The Coles County FHA office was opened only a few weeks ago.



**DON RICHEY, ASHMORE,** receives conditional commitments from Randall B. Huber, county supervisor of the Farmers Home Administration office in Charleston. They cover five new homes which will be completed in the subdivision bearing his name in Ashmore. (Photo by Buryl Engleman)

# A new home for \$36 a month

By KATHLEEN CRADDOCK  
Times Staff Writer

RUSKIN — If you qualify, you could buy a landscaped lot, and build a three-bedroom home with septic tank and county water line on a paved street for monthly payments of \$36.

That's what one family did, under the Farmers Home Administration (FHA) loan program, an arm of the U.S. Department of Agriculture (USDA). The loans are available to rural residents of low-to-modest income to finance rural dwellings, building sites and essential farm service buildings.

The low monthly payments are made possible through the government's subsidy of the interest on the loan, up to seven per cent, and the availability of land at a price the borrower can afford.

**CUBAN REFUGEE** Francisco Garcia and his wife Carmen were renting a four-room, inadequate frame dwelling in Ruskin for \$70 a month. They paid the rent out of an annual income of about \$4,200 from general farm labor. The two Garcia children, ages two and three years, and an uncle share their home.

They now live in a \$10,900 three-bedroom concrete block new home on a landscaped 94-by-104-foot lot. Their house covers 1,156 square feet of ground, with a modern electric kitchen, a utility room and a carport.

The Garcias have a septic tank and a well, which eventually will be replaced by a connection to the county water system. Their housing meets the requirements of the county building code.

**THEY ARE** repaying their \$10,900 loan from FHA at \$36 a month over a period of as long as 33 years, but they very likely will have it repaid within 15 years.

The Garcias are one of four families now occupying homes in a newly developed subdivision located at Shell Point Road and 15th Street in Ruskin.

State FHA director William T. Shaddick said the Shell Point subdivision is the most successful construction project of its kind in Florida under FHA, according to Carlos Beckum, supervisor of FHA for Hillsborough, Pinellas and Pasco counties.

**THE RUSKIN** land parcel includes 50 home sites, with the largest lot platted at 100-by-108 feet and the smallest at 85-by-104 feet.

If you applied for a loan on a lot and home at Shell Point, you would have a choice of a three-bedroom plan like the Garcias' or a four-bedroom, one-and-a-half bath plan covering 1,232 square feet.

**THE LOAN** program was designed to provide an opportunity for better housing to the tomato picker, the tropical fish farm worker, the man who works in a pool hall. In Ruskin, those of low to modest income primarily include Spanish-speaking people who are seasonally employed.

When asked if the loan program worked, Garcia said: "Yes, it is so much nicer here (at Shell Point). The house where we lived before was so old and very bad."

From all appearances, the Ruskin project seems to work well.

Beckum says the 16 houses now completed or nearly completed all have purchasers. He added that 24 families have officially signed applications for housing loans to build at Shell Point.

**THERE IS** also a clause in the mortgage loan agreement that the buyer must maintain his property, said Beckum. This, he said, was an effort to prevent deterioration of the community into another slum.

Beckum was confident that the purchasers would keep their part of the bargain — would maintain the property and would pay their monthly bills. He noted that the four families now living in the subdivision are paying their bills promptly.

"The fact that borrowers in other areas have repaid their loans in 12 to 15 years indicates that better housing will mean a better standard of living," said Beckum.

**A KEY** to the success of this particular project was the cooperation of a group of seven local farmer-businessmen who made the land available at a price the prospective buyers could afford.

The group purchased the land parcel and resold it to one member, Leisey and Todd Farms, for





—Staff photo by Kathleen Craddock

## Garcia family and home

Francisco Garcia, left, and his wife and uncle smile for a family por-

trait. Below them is their new home with landscaping nearly completed.

the express purpose of building the FHA subdivision.

Leisey and Todd are subsequently reselling the individual lots to borrowers of FHA loans, at cost, according to Beckum. The homes are being built by Clifford Ham Construction Co. of Plant City.

**THE FARMER-BUSINESSMEN**, many of whom must provide housing for their migrant field workers, understood the advantage of them if the project worked, Beckum said.

"Providing such an opportunity as the Shell Point subdivision would promote permanent residents, permanent residences and more responsible

labor," he said.

Who makes money off the project? The building contractor has to make a profit to make a living. Beckum said he works closely with the contractor on costs.

The First Ruskin Bank, or any other bank, that buys the loan note at face value and receives the going interest rate, usually eight per cent, from the federal government.

**THUS**, FHA has insured the loan and has subsidized the interest paid by the borrower, who may repay FHA at as low as one per cent interest, depending on his ability to pay.

## Elk Grove's Proud Homeowners

# Self-Help Project Pays Off

By HELEN VOLLMAR  
Sacramento Union Staff Writer

It's evening. The sun filters through dusty air on the plains surrounding Elk Grove. You take a right off of Webb Street, just outside of town and pass a subdivision of middle-income, ranch-style homes. Then, turn right on Chablis Lane.

An air of enterprise prevails. A woman is planting a garden in her front yard. Several men across the street are working on an unfinished garage. A child moves to the side of the road with a rusty red-wagon loaded with paint cans.

The lane is lined with 17 new three-and four-bedroom homes that are identical in design, but distinct in detail. And each marks the completion of a dream for the family within.

A sign at the entrance of the lane hints why: Rural California Housing Corporation. Self-Help Program.

In the past month, 11 of the 17 families have moved into the homes here — after many months of toil at the do-it-yourself housing project, funded by long-term, low interest federal loans.

There's Sylvester de la Cruz and his family of five at the end of the lane. For 23 years a farm worker in Sloughhouse, he says in broken English:

"SOMETIME I look at this house, and I can't believe myself, really. It's a dream. I built a better place to live. I have something to give my family."

Like others in the development he lived in a farm shanty for years before: "I saved to buy a house someday. But always my savings went to hospital bills when my children got sick."

Now an employe with a federal agency in Elk Grove, de la Cruz recalls, "People told us we were crazy to think the government would give loans to the poor. Besides, they said it would be impossible to build a house from scratch."

He gestures with a gnarled, calloused hand: "It's a good house, too. I did it right. Yes, I made mistakes, then I tried again."

His neighbor Mrs. Ruben Hernandez, a robust mother of six, proudly observes: "If the wind blows a single off, I don't have to wait for my husband to fix it. I can climb up there and do it myself. I learned many things I never knew how to do before."

The Hernandez family moved into their home three weeks ago. Like de la Cruz, Hernandez wanted to leave the hops fields and provide his family with something better than a ranch bungalow.

"LIKE OTHER families, we came to work on our house every weekend and every night we could spare. Even in the winter, when it was cold and rainy. We packed up the children and came here to work — hardly believing there would be a day when we could move in."

While most residents are younger families of Mexican descent, the Lester Lamberts and lived in Elk Grove, renting a house for 35 years:

"The house got worse and worse. We knew we'd have to move, but didn't have the money to buy," said Mrs. Lambert who is in her late 50's.

Her new three bedroom home became a family project, with the help of five sons, and one teen-age daughter who still lives at home.

"Besides construction, we learned to be responsible homeowners. The self-help project included classes in taxes, insurance and upkeep."

Lambert, who is employed in a pellet mill, interjected: "The people in neighboring subdivisions gave us a lot of trouble. They tried to keep the program out because they felt it would devalue their property . . . they said the houses would be shanties and turn into a rural slum. I don't go for that. None of the residents here do."

UP AND DOWN the lane the story was the same. Belief in the 10-month-old project unified neighbors.

Said Arturo Jimenez, president of the subdivision: "We all have worked together. The only way most of us could have our own home was to build it. And working together we had a better chance to do a better job."

The pride that reflects in the eyes of these residents is known well to F. Mike Cardenas, executive director of the program.

"We're not just building homes, we're building people," he enthusiastically observed.

"From a history of migrant farm work, many of these people have settled down and are trying to establish some roots. They want to give their families opportunities of middle-class life."

The administrator explained the Rural California Housing Corp. is a non-profit organization, funded by the Office of Economic Opportunity. It serves as a middle-man in helping home builders secure federal loans and purchase material.

In addition, the corporation offers a sophisticated construction training program and supportive service program to prepare participants for building and home ownership.

"Many of these people are starting from scratch," Cardenas notes. "They've had no experience with banking or home management. The program is geared to develop responsibility as well as encourage better living."

EACH HOME IS financed by a loan of \$11,900 — which covers the cost of all materials, land, and fixtures including oven and stove. It is payable over 33 years on terms ranging from 6¼ per cent to 1 per cent interest depending on accumulated credit.





Just a few more weeks of cutting, hammering and painting and Mr.

and Mrs. Arturo Jimenez can call their self-built project a home.



Ruben and Elfida Hernandez and family worked together to build

their four-bedroom home at 9240 Chablis Lane near Elk Grove.

Loans are made by the Farmers Home Loan Administration and designed to assist families whose primary source of income is in farm related work.

OEO guidelines require that applicants earn less than standard for low-cost housing assistance under the Federal Housing Administration. So, for a family of four, eligibility begins with a yearly income of \$3,800 and a family of eight — less than \$6,000.

"Self-help housing started back in 1934," said Cardenas. "Five years ago OEO initiated the present program. And last year we began the service to Northern California."

The corporation covers Yolo, Sonoma, Napa, Solano and Sacramento counties. Three projects, similar to the Elk Grove development presently are under way.

Cardenas outlined several phases of the self-help program — once an applicant's loan has been granted.

"The emphasis is on mutual cooperation beginning with a six-month pre-construction program, which familiarizes families with new responsibilities."

Once a week they must attend classes on subjects ranging from home economics, taxes and banking to instructions on how to secure a land option.

**PHASE II** begins with construction preparation. Plans are provided by the corporation, although details are left to the builder.

A staff of experienced construction personnel conduct weekly sessions on tasks ranging from electricity to plumbing, preparing builders for each step. (Tape and texturing sheet rock is the only chore performed by a sub-contractor.)

The finished structures consist of standard 2-by-4-inch frames with exteriors of wood or fabricated siding and sheet rock walls. Floor tile is standard and the corporation prohibits sliding glass doors, carpets, disposals and air conditioning, which are considered unnecessary luxuries.

"The houses meet all building code requirements," emphasized Cardenas, who further noted residents are not allowed to move in until the houses are completed and all requirements have been met.

A post-construction phase begins with a visit by a staff home economist within 24 hours of occupancy "to familiarize families with new fixtures and make sure they are comfortable." Followup visits are regularly made during the year, he added.

"After working with families for 14 months, we hope to build enough confidence so they can walk out of the fields and get a better job.

"Through the lengthy construction training, many will qualify for building trades," according to the director, noting that the carpenter's union considers training comparable to pre-apprenticeship.

**"THE IMPACT** is tremendous — not only for the family, but also for local volunteers who have helped with the program."

He described the program's broad-reaching influence, involving the business community and social action groups. The corporation's board of directors, for example, includes architects, attorneys, social welfare leaders — in addition to the program participants.

"Self-help is not the sole answer to the housing problems in this country . . . It's one of many," said Cardenas. He is hopeful a proposed New Housing Act in Congress will give urban families similar opportunities to build their own dwellings.

"For years the freeways have gone over, under and around the poor. The rural people living in substandard conditions have been unseen and forgotten," concluded Cardenas.

"When you hand a man a set of plans — rather than a set of keys to a housing project, he's going to feel differently. He'll feel responsibility and pride that is lasting."

## At Royal City

# Basin farm housing state model

ROYAL CITY — After less than a year of operation, a new farm labor housing complex here is so successful that Manager Sam Poarch is looking for 150 new units within the next few years.

The complex, largely built with federal funds to provide decent low-cost housing for farm laborers working on the Royal Slope, has been renting since the beginning of the year.

"It looks like we're going to have 80 per cent year-round occupancy and the prospects are that next year we'll be needing at least twice as many units as we now have," Poarch said.

Poarch said the complex is known as one of the nicest farm housing projects in the state and is considered a model project by many state and county officials.

"A good many areas of the state are suffering for decent housing for the farm workers," Poarch said. "You can no longer expect a day's work from laborers living in a tent. We try to keep clean, decent housing and it's just been wonderful the way it's worked out."

The modern, unfurnished duplex units rent from \$65 for a one-bedroom apartment and \$75 for two bedrooms to \$85 for a three bedroom unit. Farm workers have priority on the units, although others may rent vacant apartments with the provision that they must move if demand requires it.

Poarch — the driving force behind the construction of the units, according to Secretary-Treasurer Mary Owens — said planning for the complex began as early as 1963.

"It was a long haul getting this thing together," he said. "We had to do

many things to comply with Farm Home Administration regulations and we finally wound up changing the plans several times."

To provide seed money for the project, \$25 memberships were sold to local farmers and businessmen. Some 75 memberships were sold in all, Poarch said.

The FHA put up a \$200,000 loan and \$198,000 grant for the construction of the present 37 units.

"We just barely got under the wire when President Nixon cut off federal construction funds," Poarch said. "If our application had been approved just two weeks later we wouldn't have gotten the grant."

Construction of the units began in February, 1969, and the complex was completed the following December.

Members of the corporation elect a board of trustees who set policy and hire the manager. Members also are entitled to first call in renting to their hired workers.

"Farmers on the Royal Slope see the necessity of providing decent housing for their farm laborers to live in," Poarch said.

"I don't know of another complex in the state as nice as these. This is not a camp, it's good, decent housing. In order to get help on your farm you have to have some place where they can live."

The complex, northeast of the main section of Royal City, was incorporated into the city by the city council last May.

"It's been a wonderful asset to the community," Poarch said.





**HOUSING COMPLEX MEETS FIRST YEAR —**

Mrs. E. B. Holden chats with Manager Sam Poarch as she tends to her garden in Royal City's new farm labor housing complex. The low-cost units have met with 80 per cent year-round occupancy in their first year of operation and Poarch says expansion is in the offing. The complex is considered one of the finest in the state and a model for other developments.



## **First Such Loan In Alabama**

# **Home Site Development Loan Closed In Baldwin**

The first Home Site Development loan for Baldwin County and the State of Alabama was closed Tuesday, Dec. 29.

This announcement was made this week by J. Phillip Pridgen, County Supervisor of Farmers Home Administration.

One of the first loans of this type to be made in the United States, this loan was made to the Baldwin Home Site Development Company, Incorporated. This corporation is a non-profit organization with

the basic objective to provide sites for housing for families with not more than a moderate income.

The board of directors for Baldwin Home Site Development Co., Inc. are George W. Engel, president, Summerdale; John O. Sims, vice-president, Gulf Shores; Elmer McDaniel, secretary-treasurer, Robertsdale; Jim Swoboda, Silverhill, John M. McMillan, Jr. Stockton.

Other charter members are: Norman M. McInnis, Jr., Stockton; John Dean,

Stapleton; Charles Barnhill, Loxley; Berkely H. Smith, Lillian; and Thomas L. Steele of Foley.

This loan was made to purchase a site and develop 16 lots adjoining Loxley, Ala. These homes will be on city water and within the next year will have a city sewerage.

To be eligible for purchasing one of these lots, an applicant must qualify for a Farmers Home Administration housing loan, or for a Federal Housing 235 loan. The purchaser of these lots must construct a home on the site immediately after purchasing the lot.

This non-profit corporation can obtain loans to develop other sites in any rural town or under 5500 population and in any rural area of Baldwin County.

The organization, a non-profit corporation, was sponsored by Baldwin County Electric Membership Corporation with the purpose being to provide better housing in rural areas of Baldwin County.



### **Officials Look Over Site Plans**

Shown left to right, seated, are Jim Swoboda, director; George Engel, president; Elmer McDaniel, secretary-treasurer; standing, Harry Wilters, representing sellers of building sites; Don Sutherland, manager of Baldwin County

Electric Membership Corporation; Phillip Pridgen, County supervisor for Farmers Home Administration; and John Earle Chason, attorney for Baldwin Home Sites, Inc.

(Times Photo)

Are You Satisfied with Your Home?  
If you can't get Financial Help  
elsewhere under Terms and  
Conditions you can reasonably fulfill . . .

## Your Parish Supervisor of the Farmers Home Administration Can Help!

Multiply the plight of the twelve families pictured on these four pages before they received help by thousands and the problem of rural housing in Southwest Louisiana becomes clear.

When the joys of the Dalcourts and other families with their new homes, you become very much aware of the need for adequate housing. The Parish Offices of the Farmers Home Administration may be able to HELP YOU. Why not contact the office in your parish by letter, phone or a personal call at their office.

People telling people about FHA home loan program has caused most requests for loans. Like the four homes shown above located on Route 2, Arnaudville. All four homes were financed through this program: Noris Cleuse, \$698 per year; Alton Broussard, \$761 per year; Calmon Broussard, \$687 per year and Francis Roy, \$500 per year.



Left—

"Carrying all your water 200 feet isn't fun even if you are a newlywed", Mrs. Oliver J. Peltier (right) demonstrates to Mrs. Audry Granger, FHA Assistant Supervisor for Lafayette Parish. Behind the couple the white house can be seen where the Peltier's lived for 16 months until they moved into their new home in March. No water, no inside toilet facilities. "I weighed 105 pounds and I must have carried 2000 buckets of water and it felt like 20,000."





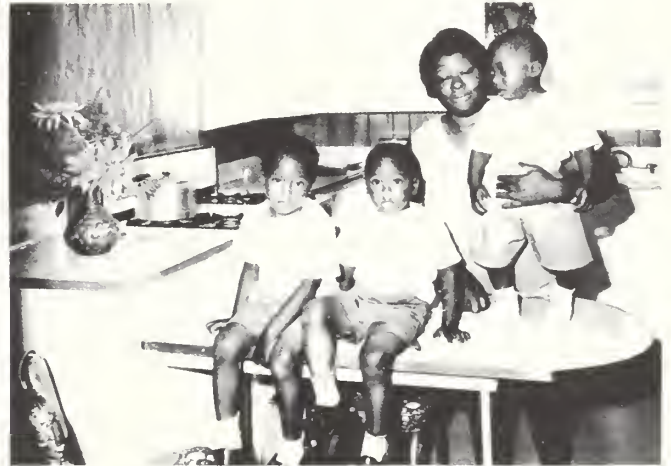
Below—

"My husband and I were tenant farmers for 33 years and paid rent. When he died I sold the farm equipment and bought one acre of land. Stanley Begnaud suggested I check with FHA about a home loan. I checked and now I have a lovely three bedroom home and my monthly payments of \$61.50 and just a little greater than my monthly rental and I have so much more," Mrs. Fere Smith of Rt. 1, Carenero reported. She is shown here with Assistant County Supervisor Mills Vautrot inspecting her records. Mrs. Smith received \$290.00 capital credit payment from SLEMCO after the death of her husband.



Left—

"If we had known about Farmers Home Administration's home loan program we would probably have saved four hard years of living in a shack", Raymond Dalcourt tells St. Martin Parish Assistant Supervisor as they inspect the brand new home located on Route 1, St. Martinville. "We lived two years with my folks; two years with my wife's folks and four years in a rent house, if you could call it a house. We had three rooms; no water, no inside toilet. With a wife and four children that's rough. I had to make a move. A carpenter told me to check with the FHA in the Post Office Building in St. Martinville. I applied October 13, 1969. My loan was approved January 23, 1970 and we moved in our completed home March 3, 1970 . . . Glory! I feel like really putting out a day's work because I'm happy."



"I have to pinch myself to make myself believe it . . . three bedrooms, a bath and toilet and a wonderful kitchen and cabinets", Mrs. Dalcourt said. She is pictured in her kitchen with three of the four children: Donald Ray, 6 (not shown); Greg Adam, 3; Kevin, 2; and Bryant Frederick, 1. The yearly note for the Dalcourt home is \$481.00.



Above—

This four bedroom home shelters a man, his wife and three children, his father and a brother. The FHA loan was made to Herman LeBouef, Route 1, Church Point. The payments are \$72 per month. FHA Supervisor Allen J. Fontenot is shown congratulating the father, Alpha LeBouef.



Right—

"We did all the painting and dug the field lines and septic tank," the Oliver J. Peltiers of Route 1, Carencro, explain to FHA employees as they show their new home. "Our home has three bedrooms, a bath, lots of closets and a wonderful kitchen. Our monthly payments are \$67.65. Our new home is just wonderful"! Shown inspecting the Peltier home are left to right: Gaston LeBlanc, Supervisor; the Peltiers; Mills Vautrot, Assistant County Supervisor and Mrs. Granger of the Lafayette Parish Home Administration.



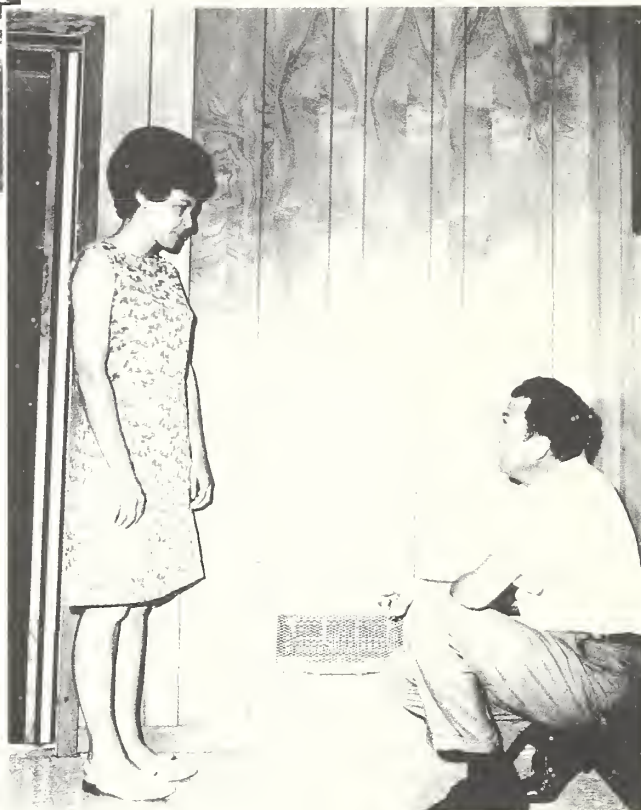
Mrs. Herman LeBouef, the former Eva Dale Burley, is shown with the three children: Laura, 5; Linda Marie, 4 and Sharon, 3.

The home is located on five acres of land. 72 years young Alpha LeBouef takes care of the three cows, 12 hogs and 30 hens.



Lionel Rodriguez, Jr. of Route 1, Breaux Bridge, is shown inspecting the lawn for chinch bugs with FHA Assistant County Supervisor Larry P. Decou of St. Martin Parish. This FHA financed home was built seven years ago and the monthly payments are \$45.93.

"A former employee of FHA, Oren Resweber, told me about FHA's loan program and we are very happy with our home," Rodriguez said.



The all electric home of Mr. and Mrs. Eurell Meche, Route 1, Church Point is financed with a Farmers Home Administration loan. "Our monthly payments are \$68 and this home is such a joy . . . we are very satisfied with SLEMCO all electric living," Mrs. Meche said.

"Our former home was a shack . . . cold in the winter, hot in the summer. I told my husband we had to make a move. Colbert Henry, a carpenter, told us about FHA loans and we're glad he did", Mrs. Meche concluded. She is pictured showing one of the electric heaters to Allen J. Fontenot, FHA County Supervisor for Acadia Parish.



Mrs. Donald E. Badon is shown in her SLEMCO Gold Medallion total electric home located near Gueydan. The home was completed March 15 and is financed through FHA's loan program. The Badons have two children and have been married 9 years. Four years were spent in the armed service and they rented for five years. "Irving LeBouef told us about the Farmers Home Administration loan program and here we are in a 1400 square foot, 3 bedroom, 1½ baths home with monthly payments of \$75.50 and we're happy," Mrs. Badon said.

### CONTACT YOUR PARISH FHA OFFICE

All phones are listed under U. S. Government, Agricultural Department, Farmers Home Administration.

#### — LOCATIONS —

##### Acadia Parish:

U. S. Post Office Bldg.  
Allen J. Fontenot — P. O. Box 311  
Crowley, Louisiana 70526

##### Lafayette Parish:

U. S. Post Office Bldg.  
Gaston LeBlanc — Box 2057  
Lafayette, Louisiana 70501

##### St. Landry Parish:

U. S. Post Office Bldg.  
Raymond P. Martin — P. O. Box 751  
Opelousas, Louisiana 70570

##### St. Martin Parish:

U. S. Post Office Bldg.  
Marion Schexnayder — P. O. Box 150  
St. Martinville, Louisiana 70582

##### Vermilion Parish:

Court House Bldg.  
George E. Broussard — P. O. Box 250  
Abbeville, Louisiana 70510



## New Plan May Help You Finance a Better Home

**U**p to 8,000 families in rural North Carolina will be able to get new homes in the next 12 months through an expanded and improved FHA program. Yours could be one of them if you'll take a few simple steps.

The first step is to read this article. It is based on an interview with James Buchanan, chief, housing loan division, at the State office of the Farmers Home Administration in Raleigh, and it will give you a general idea of how the FHA housing loan program works.

The second step is to visit the county Farmers Home Administration office nearest you. These are local unit FHA offices in 72 of North Carolina's 100 counties, all located at the county seat. The 28 other counties are served by sub offices, at which the FHA supervisor for the neighboring county may be found at designated times during each week. If you're not sure whether your county has a local unit FHA office or don't know how to find it, ask at the county courthouse, county extension office or at the office of your electric membership corporation.

The third step is to sit down with the county FHA supervisor, his assistant or representative and find out how you can come under the program.

The 1969 Federal Housing Act greatly liberalized the Farmers Home Administration housing loan program by making considerably more money available for loans.

In fiscal year 1969, the 12 months ending last June 30, only about \$500 million was available for FHA housing loans throughout the nation.

In fiscal 1970, the 12 months ending this coming June 30, about \$800 million is available.

But in fiscal 1971, which begins this coming July 1, over \$1.4 billion will be available for FHA housing loans.

Based on what North Carolina got from previous allocations, Buchanan said, about \$80 million would be available for use in North Carolina.

"This ought to mean in North Carolina that in 1971 (the 12 months starting July 1) we ought to be able to produce from 7,500 to 8,000 new and substantially rehabilitated dwellings," he explained. "We expect to use this year (through the 12 months ending June 30) about \$50 million, which should produce from 4,800 to 5,000 units."

Buchanan noted, however, that the program can't accomplish its purpose of helping people unless people take advantage of its benefits.

"People interested in obtaining a loan or in the construction of homes to be sold through Farmers Home Administration should contact our local unit offices," he said.



"Anybody can come in and get information.

"We'd certainly like to give him some advice and guidance as to the kind of house we can finance and what he can afford."

Although it's not necessary to have plans and cost estimates, if you do have them, bring them along. The local FHA supervisor can then discuss them with you.

"In addition to loans for single family dwellings," Buchanan explained, "we make loans for rental housing in rural areas for occupancy by families of low and moderate incomes.

"We also make conditional commitments to builders and sellers of homes so that they will have the assurance that the homes to be constructed or rehabilitated will meet Farmers Home Administration lending requirements."

The word "rehabilitated" means repaired or otherwise improved. It means that FHA loans can be obtained to make improvements to old and existing housings in order to make them more livable.

The Farmers Home Administration home loans are intended principally to help people of low and moderate incomes.

"Generally," Buchanan pointed out, "we're trying to reach the families with \$3,000 to \$8,500 a year incomes. The Act is designed to aid families of low and moderate incomes who can't otherwise finance housing."

So if you're that lucky person who has a good income and dreams of building or buying a fine big house, you'll probably find you don't qualify. And if you have a big income, you may want something more expensive than FHA finances.

But if you need and want a better house, and can't see your way clear to raise the money, you ought to at least ask at the local FHA office and get the facts, regardless of what your income is.

If your total family income is less than \$3,000, that doesn't mean you automatically can't qualify. Nor does the fact that your family income is over \$8,500 automatically disqualify you.

"Every loan is based on the family budget," Buchanan explained. "The amount the family may borrow is determined by what it can afford to pay."

Some home mortgage lenders use a formula that says a person should not have house payments that run higher than the equivalent of one week's income, or one fourth of a month's income.



Farmers Home Administration doesn't follow such formulas. It works entirely with the family budget as its determining factor.

If the family budget shows the prospective borrower cannot afford to bear all the cost of financing a home, the new FHA program provides for off-setting factors.

"A family with a lower income may still obtain a home through the use of interest credit assistance, or by having a co-signer, or both," Buchanan pointed out.

Let's take a make-believe case of a family whose income totals \$5,000 a year.

First, you make a deduction of 5 percent for withholdings, etc.

Next, you deduct \$300 for each child under age 21 as an exemption. Suppose this make-believe family has three children, all under age 21.

Subtracting the 5 percent, plus the \$900 exemption, you get an adjusted income of \$3,650.

Farmers Home figures a family can afford to pay 20 percent of its adjusted income for housing. In the case of our make-believe family that would be \$730 a year.

Now, assume that the house they hope to build would cost \$11,000. Since FHA home loans are amortized at 6.25 percent interest over a period of 33 years, the annual payments on the \$11,000 would run \$795.08. Now assume that taxes would be \$100 a year and insurance \$60 a year. Add \$160 to \$795.08 and you get a total annual housing cost of \$955.08.

You'll remember a few lines earlier, we'd figured our family could afford to pay \$730 a year. So now you subtract \$730 from \$955.08. You get \$225. Which means our family will need interest assistance credit of \$225.

But wait a minute, a little more figuring has to be done.

Go back to the \$795.08. To simplify your calculations, drop the 8 cents. Take the \$795 and amortize it at 1 percent. You get \$393. Subtract that from \$795 and you get \$402.

Here's what Buchanan says about it:

"The family pays an annual installment amortized at 6.25 percent for 33 years plus the estimated taxes and insurance, or 20 percent of adjusted family income, or the difference between the regular amortized installment and the installment amortized at 1 percent, whichever is greater."

In the case of our make-believe or hypothetical family, the head of the household would be entitled to interest credit assistance of \$225. You subtract that from \$795 and get \$570. The \$570 is what he would pay as his annual installment.

Interest credit assistance is allowed only for "modest" homes.

According to Farmers Home policy, "These should generally not exceed 1,200 square feet of modestly designed living area" although "some additional sleeping space might be justified for exceptionally large families."

If you get "interest credit assistance," you must be prepared for the allowance to change if your income drops or climbs and as your children reach age 21.

"The interest credit agreement will be examined every two years," Buchanan said, "and adjust upward or downward, or discontinued, depending on changes in the family income and the family status."

Take the case of our make-believe family, each time one of the children reaches age 21, the family loses a \$300 deduction. When all three children become age 21, it will lose all of its \$900 deduction. Thus, the amount allowed in interest credit will be reduced and perhaps finally discontinued. On the other hand, if the family income drops, this may offset the loss of the deductions for children.

The fact that income and family status will change makes it important for an FHA borrower to consider what effect the changes could have on his ability to continue to meet his loan payments. You wouldn't want to put so much dependence on deductions for children that in future years, after the children are grown, you couldn't live with your mortgage.

Assuming that you go to the local FHA office and find out you can get a loan you can afford to repay, how do you go about getting the house? How do you get house plans? What kind of plans are acceptable to Farmers Home Administration?

Fortunately, because you live in North Carolina, you'll have little difficulty getting a house plan. A variety of plans acceptable to FHA are available free from the Agricultural Extension Service of North Carolina State University. You don't have to write to Raleigh. You can select from a stock of 75 different plans by visiting your County Extension Service Office.

Each county extension office has a book of plans and you should go to these officers to get assistance and information about the freehouse plan service.

Now, let's assume that you've been to your local FHA office, have found out about getting a loan and have decided on a house plan. What do you do next? The answer to that is that you see builders and contractors and pick the one you feel will build you the best house for the most favorable price. When you've got the builder's written agreement as to what he will do and what he will charge, you're ready to go back to the FHA office and work out the loan.

The builder will need construction money. Usually that means the person who is having the house built, has to get a short-term loan from a bank or building and loan to cover construction of the house until it is accepted for the mortgage. That generally causes problems because sometimes construction loans are hard to arrange.

Under the Farmers Home Administration program, you don't have the problem, because the construction money is included in the loan arrangements.

"Farmers Home Administration can permit payments on the construction contract of up to 60 percent of the value of the work in place without requiring a performance bond," Buchanan said.

Even if you don't need a home yourself, you stand to gain from the Farmers Home loan program. The better rural housing the program will make possible will benefit your community. Thus it is important that you and your neighbors help make the program work.

You as an individual and as a member of a community organization, club, association or business can do several things. Buchanan cited some of the things local groups can do.

The most important thing that needs doing right now, he said, is for local people, organizations and associations to

help spread the word of the new Farmers Home Administration home loan program. It is important, he said, to get information about it to all people in all rural communities.

"Another important way organizations and businesses can help," he said, "would be to provide construction financing for speculative builders who need such financing in order to build homes under the conditional commitment authority."

A third way organizations and businesses can help is to buy Farmers Home Administration notes. Putting money in FHA notes, or "paper" to use Buchanan's term, not only helps FHA market the mortgages but provides an opportunity for local people, organizations and businesses to make sound, high-yield investments.

What **COMMUNITY**  
**PROGRAM** stories  
have appeared lately  
in local publications?



# Abundant Fresh Running Water

**B**BROWN COUNTY has long been famous for its scenic attractions. The county seat, Nashville, has developed through the years as a tourist attraction and colony for artists. But, beautiful scenery and fresh air do not meet all of a community's requirements.

For years, Brown County has remained financially oppressed and sparsely populated for lack of adequate facilities and services.

A step of progress came to Brown County last month with ground-breaking ceremonies for a \$1,023,000 water system project. When completed, the water system will benefit over 600 families in the area, and could lead to wider development of community resources.

The simple ceremony took place on a small knoll on "Greasy-Creek" Road. It marked the culmination of years of hard work and dedication by leaders in the community.

As long ago as the early 1940s, some community leaders such as Pods Miller, who operates the Nashville Drug Store, had visions of bringing water into the Brown County hills.

However, progress was slow, and various plans failed to materialize. In the early 1960s, there were plans for a system of lakes and ponds, and for a watershed program; but, the huge Monroe Reservoir located in neighboring Monroe County near Bloomington overshadowed the Brown County projects.

Still, civic leaders in the community were determined, and in 1964 a corporation was formed to provide a water system.

But, financing such a project on a strictly local level was prohibitive. Initial planning was completed, surveys

were made and the ground work for the system was laid.

Then the community was in a position to make application for Federal aid for its project. This it did through the Farmer's Home Administration, securing the \$1 million-plus in necessary funds, repayable over a period of 40 years.

Among the dignitaries gathered for the ground-breaking ceremony was James V. Smith, head of housing for the Farmer's Home Administration.

In his remarks he said, "I have not come here to claim any credit in behalf of the government for this project, but to compliment you folks here for your hard work in making this a reality. This is a shining example of what can be accomplished through leadership at a local level in developing rural areas".

A native of Oklahoma, Smith commented, "Having gone through the draught-ridden years in that state, I am one who can fully appreciate the need for flowing water . . ."

He related that there currently exists across the United States some 44,000 rural communities without adequate water facilities, and another 32,000 without proper waste facilities.

He explained, "We are at a minimum a decade late in focusing attention on this serious problem", and related that it would take an \$11 billion budget to adequately fund the water program.

Just what water facilities may mean for a community such as Brown County is hard to envision.

## *A Dream Come True*

The water system will enhance the community as a place to live, improve

the recreational potential of the area, and will very likely attract industry, providing additional jobs and services.

At a time when the Federal Government is advancing the cause of rural development as an alternative to impacted suburban areas, it would seem that there could be no more appropriate place to begin than the beautiful air-fresh hills of Brown County.



Local and state officials gather around James V. Smith, left, National Director of Farmer's Home Administration, and Waldo H. Asbury, President of the Brown County Water Utilities Board, as they turn the first shovels of dirt at ground-breaking ceremonies for the \$1,023,000 Brown County water system project.

# The FHA: An agency to help strengthen rural economy

By DEAN HOLMES  
Of The East Oregonian

A better life for some residents of rural America through a self-help financial program is becoming a reality in Umatilla and Morrow counties through the Farmers Home Administration (FHA) program.

Small communities in the area are beginning to reap the rewards of the FHA program that has among its objectives: strengthening the family farms, strengthening rural communities and reducing rural poverty.

The program is administered from the Pendleton office in the U.S. Post office. County supervisor Lou Baxter says much of the activity is in the western section of Umatilla County and northern Morrow County, because of the smaller farms and several small towns.

NOTABLE projects in the public eye that have been financed and encouraged through FHA are the municipal water projects in Irrigon and Ukiah. Both towns were without water systems until recent years. Both projects were financed through 40-year FHA loans and grants.

Currently Baxter and his staff are working with Echo city officials on a proposed sewer system for that town. Financing would be another 40-year loan and a grant from FHA. The interest rate on the general obligation bond issue would be five per cent.

While municipal projects get most of the public attention, the county FHA office carries on most of its activity in the rural or

farm areas.

Baxter cited the case of a father-son farm team that had alfalfa land but needed nearby range land to carry on a cow-calf operation to make an efficient and a strong economic unit. FHA furnished the money for the grazing land, and helped keep the younger member of the team on the farm.

BORROWERS turn to FHA when they are unable to secure loans from other sources. If the federal agency makes a farm loan for purchase or operating it insists on adequate records and efficient methods.

Another type of FHA loan, common in the western states is to grazing associations, and the Pendleton office has two of this type loan in operation.

The Battle Mountain Grazing Association acquired a loan as a non-profit association. The members used the funds to buy larger grazing areas, increase herd size for more efficiency, replace rented range, build up individual ownership, develop recreation areas and build water holes and fencing.

In the fiscal year ending July 1, the county office loaned \$1.5 million, to add to their previous \$3.5 million that was already on their books.

Farmers Home Administration is restricted to rural areas and incorporated and unincorporated towns of less than 5,500 population, and it is in this area that FHA efforts in better housing for rural America are being realized.

THE COUNTY supervisor cited

a loan to a man and wife on an income of \$6,500 or less for a new home or to purchase an older home. The length of the loan is 33 years and starts out at 6¼ per cent interest. Interest credit for children is possible and the interest credits are reevaluated each two years for the life of the loan.

On a new home, FHA is interested in around 1,000 square feet of space and a total loan including land at \$15,000.

OLDER HOMES may be purchased under the program and if the housing is sub-standard it is improved. Baxter says a major aim of the FHA is to improve the housing in rural America, and the families are taking advantage of the program. County office clerk Darlene Hensley says the office has made loans to over 200 families in the area.



# Chapin Shows Way To Growth For Rural Towns

CHAPIN — "Rural towns must provide good services or the people will go out-of-town to spend their money."

This is the view of a small-town mayor and development leader who is helping move this town forward in a wide spectrum of public and private services.

Mayor Curtis Shealy helped rally town support for a volunteer fire department six years ago following a tragic fire in a local residence.

Since then one development has led to another, culminating last year in the bringing in of three new industries employing 177 people, a physician, a dentist, and the town's first water system.

"The town is on the move," says Shealy, the leader and catalyst who acknowledges help from county and state agencies and many individuals.

Shealy estimates that 1,000 to 1,500 new people have moved within a three-mile radius of Chapin since 1960. He makes this estimate from the vantage point of the local representative of the South Carolina Electric and Gas Co., the electric power supplier for the area.

"More of these people are finding jobs in Chapin, and we're providing better consumer services for them," said Shealy.

Industries most recently added, providing larger payrolls, are a decal plant, a mobile home manufacturing

plant and a ready mix concrete facility.

New and renovated retail outlets, a new branch bank, new medical and dental services and completion of a new school are also improving the quality of life for local citizens, Shealy says.

A water system installed last year with a \$162,000 FHA loan and now supplying 125 customers, triggered the moving in of several new industries, the mayor believes.

"Prior to the water system, the town lost several potential industries because we didn't have water," Shealy said, adding, "One company came in here two years ago looking for a site. We promised them water within a year. They turned us down flat. Promises of water aren't enough."

The future outlook for Chapin is bright, Shealy declares, pointing to a proposed multi-million dollar private housing development on nearby Lake Murray and the planned development of nearby Billy Dreher Island as a public state park.

Shealy says a key to total development success for rural towns is cooperation with many groups. The mayor and Chapin's town council have worked closely in recent years with the Lexington county delegation, County Planning Board, State Development Board, the Ruritan Club, Chapin Garden Club and Lexington County's Total Resources Development Committee.

# Community Water Systems Growing

By ED WATKINS  
News State Editor

Community water systems are becoming more and more popular in West Alabama. Two more systems in Tuscaloosa County are to be completed this month, two are already in operation and applications are in hand for two more systems.

The community water systems have been made possible through loans and grants by the Farmers Home Administration.

The Peterson system, which will provide water for 150 to 170 users initially, will be in operation sometime this month. Part of the Mitchell system, the largest of the community systems in the county, has already been completed and some sections receiving water. The remainder of the system is to be completed this month.

**THE COKER AND COALING** systems have been in operation for some time. The Coker system was the first in the county.

Brookwood and Englewood-Hulls also have applications in for FHA loans and grants. The Brookwood system would cover Howton, East Brookwood, Abernant, Vance and Cedar Cove. The Englewood-Hulls system would take in Highway 69 South, Englewood, Hulls and the Kings Loop Road.

The Mitchell system is by far the largest community system in the county. The system will have 267 to 275 initial users with a potential of more than 550 users.

Area covered by the system includes Hargrove Road, Bradley Road, Bear Creek Road, Gilgal community and Highway 82 within two miles of Duncanville. Duncanville is to be served later. The 300,000 gallon capacity storage tank was designed to serve Duncanville.

**THE MITCHELL SYSTEM** was financed by a \$70,000 grant and a \$210,000 loan by the Farmers Home Administration.

Water will be furnished by the City of Tuscaloosa. A master meter is located on the Hargrove Road. All of the community water systems get water from the city with the exception of Coker which has its own well and filtering system.

Johnny R. Wiggins, a postal employee, has spearheaded the drive for the Mitchell system. He is president of the Mitchell Water System, Inc. Other members of the board of directors are Claud M. Farmer, vice president; Carley M. Hughes, secretary-treasurer; C. Evans and Louis J. Boswell.

The Mitchell system has 18½ miles of distribution lines.

**THE PETERSON SYSTEM** was financed by a \$120,000 loan and a \$15,000 grant from FHA. This system, furnished water by the city of Tuscaloosa, has 9½ miles of distribution lines and a 225,000 gallon storage tank.

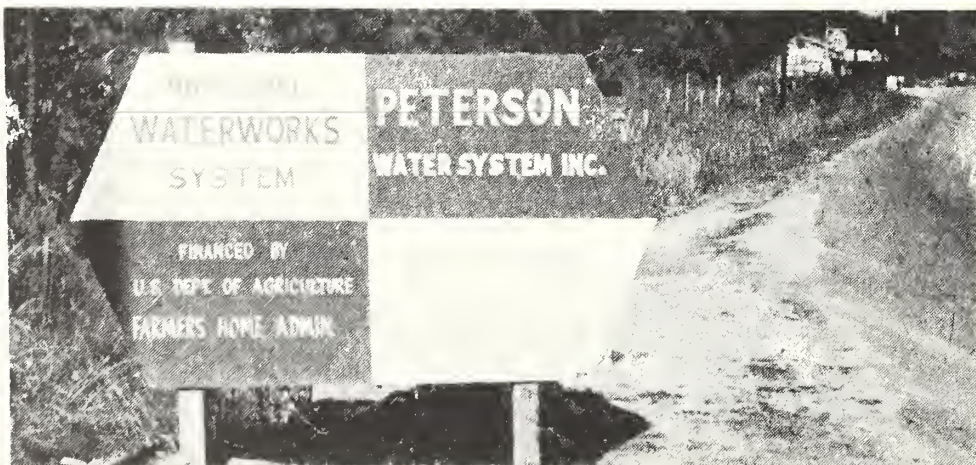
Mrs. Mary A. Darby is president of the Peterson Water System, Inc. Other officers are James L. Herring, vice president; and E. F. Harrell, secretary-treasurer.

The Coker system was the first community system in the county financed by FHA. The application was received late in 1964 and the loan was closed in 1967.

The Coker and Coaling systems are currently serving more than 300 users. Coaling has 180 and Coker has 130.

B. B. Utley is president of the Coker system with Webster Sartain, vice president; and F. S. Christian, secretary-treasurer.

S. H. Loggins is president of the Coaling system with John M. Tatum, vice president; and John M. Foster, secretary-treasurer.







**WATER FROM WELL ONCE USED**  
**Marvin Champion Of Centreville Road**



**WORKMEN CONNECT PIPE**  
**On Peterson Water System**





**Machine Digs Ditch For Peterson Water System**

*For People—and Livestock . . .*

## *Fort Shaw Getting Good Drinking Water*

By RAY OZMON

Tribune Staff Writer

People in the community of Fort Shaw will soon be able to enjoy the luxury of unlimited quantities of pure, fresh water.

Water has been a problem ever since the first settlers came to the area. Water from wells is loaded with alkali. It tastes terrible. Standard equipment on every farm and ranch is a water tank mounted on a truck for hauling water for home use and livestock. Water from wells can be used only for washing.

The poor quality of the water is far more than an inconvenience. It's also a costly economic factor. In addition to the expense of hauling water, livestock production suffers.

The only source of water for beef cattle is the irrigation ditches. In the fall when there is no water in the ditches, ranchers either have to sell their stock or haul water. And because of the uneven distribution of drinking water, some parts of the range are badly overgrazed while others are virtually untouched. The water problem also sharply curtails dairy production in the Fort Shaw area.

There has always been abundant fresh water nearby on a 25-acre marsh just south of town on Cliff and Ann Huffman's place. Water drains from the marsh into Adobe Creek and empties into the Sun River. The creek flows under a bridge on the edge of town.

David Esmay, who farms three miles south-east of Fort Shaw, wondered about all that water going to waste every time he drove across the bridge. He had a sample tested, and it was found to be of excellent quality.

Further investigation showed that the marsh was situated on what was probably an ancient oxbow of the Sun River. Source of the water was an artesian spring that flows through a layer of gravel that lies on top of the Colorado shale. Water from all wells in the area flows through



**NEW LANDMARK**—Dominating the landscape south of Fort Shaw is this 40-foot-high storage tank of the Two Buttes Water Users' Association. From left are Norman C. Wheeler, Montana director for the Farmers Home Administration which financed the major portion of the project; James C. Smith, federal FHA administrator, and Malvin Merja, association president. More photos are on page P3. (Ozmon Photo)



the layer of shale, which is where it picks up the alkali.

A dozen test holes were dug in the meadow with a backhoe. The holes were about 5 feet in diameter and 12 feet deep. They filled up with water almost immediately. Water was pumped from one of the holes for several hours at a rate of 80 gallons a minute. It had no effect whatever on the water level of the others.

This was a water supply that could be put to use.

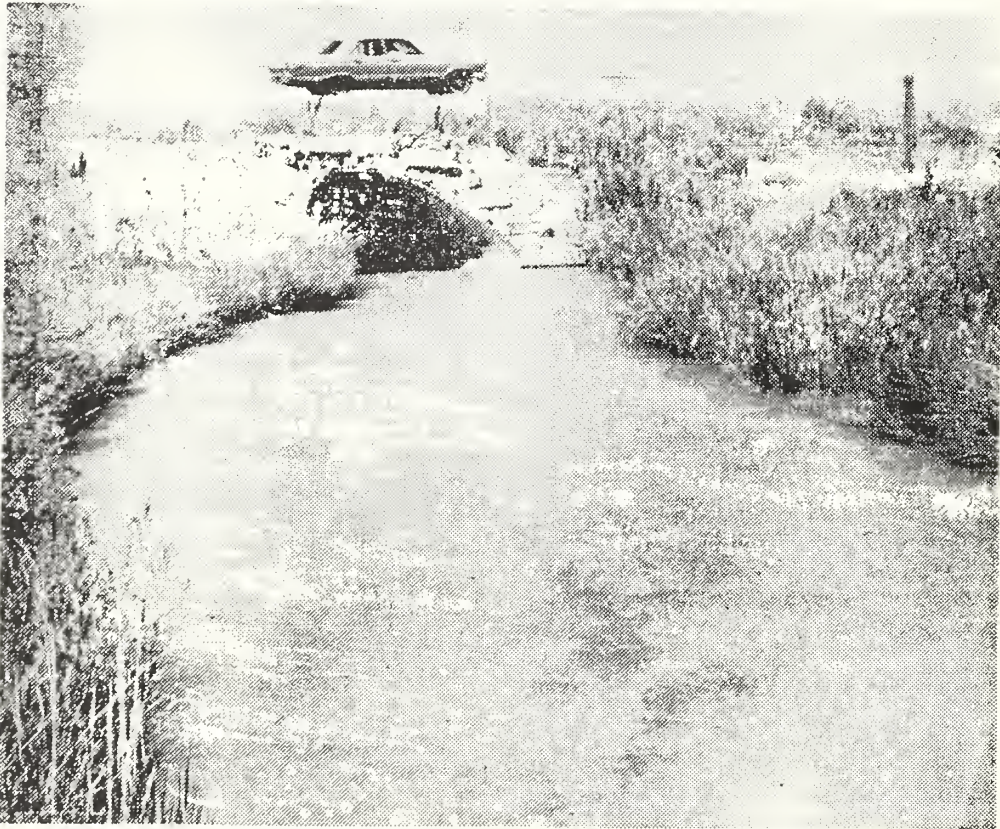
The Fort Shaw Water Users' Association was organized with Malvin Merja named president. But the name seemed too mundane and unimaginative. Cyrus Clark, who has lived in the area since 1909, suggested they name the association after its location, just north of Square Butte and Shaw Butte. So the more picturesque name, "Two Buttes Water Users' Association" was chosen.

A committee went to Ronan where a similar project was undertaken several years ago. Glowing reports of convenience to the people, increased land values and improved livestock production because cattle had fresh water instead of stagnant ponds to drink from convinced lending agencies that their plan to build a water system was not only feasible but highly desirable.

The bulk of the financing was obtained through the Farmers Home Administration. FHA loaned the association \$132,400 for 40 years at 5 per cent interest.

The Agricultural Stabilization and Conservation Service (ASCS) can only make loans that directly affect farm production. Since several sections of grazing land would benefit from the water distribution system, ASCS was able to grant a loan of \$60,000.

It took a year and a half to sign up subscribers, arrange financing and draw up the plans. Engineering work was done by Thomas, Dean & Hoskins. Construction got underway last spring, and water should be flowing from the taps around the middle of October.



**GOING TO WASTE**—This is Adobe Creek that carries water from the marsh to the Sun River. It's excellent water. It contains only 23 grains of hardness, compared to about 1,500 grains for the alkali well water in the community. The water is low in iron, nitrates and sulphur and flows at a constant temperature of 50 degrees.

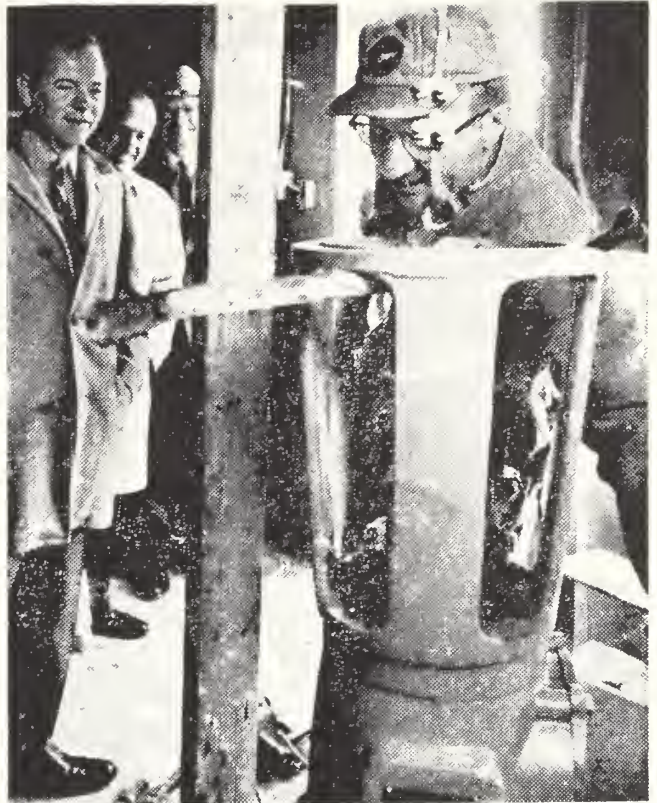


Sixty residents in a 25-square-mile area will be served by the system. Half are farms and ranches and half are in town. There are also about 60 field taps for livestock. The cost is \$20 a month for rural users and \$10 a month for people in Fort Shaw.

The system involves a series of perforated pipes buried in the water-bearing gravel which carry water from the marsh to a filtration gallery. From here the water is pumped 6,800 feet to a 110,000-gallon storage tank situated on a hill 275 feet above the gallery. A 15-horsepower, 150-gallon-a-minute pump and two booster pumps are required to lift the water to the storage tank.

On a recent visit to Montana to inspect FHA-financed projects, James V. Smith, federal administrator of the Farmers Home Administration, said that millions of dollars are pumped into cities in an effort to quell rioting, but that it is equally important to take care of people in rural communities. He stressed that FHA loans are not welfare—that the loans are returned with interest.

A project such as the Fort Shaw water system, he said, will greatly improve living conditions in the area and will be an important factor in holding people in the community. He stated that FHA can make loans for improvements in towns with populations up to 5,500, which includes 95 per cent of the communities in Montana.



**PUMP**—Association president Merja, right, explains operation of the 150-gallon-a-minute pump to federal FHA administrator James Smith. Smith said the project will serve as an example to other rural communities.



**CONSTRUCTION CREW**—Much of the work was done by area farmers and ranchers. Some men came out of retirement to work on the project. Placing concrete for the filtration gallery are, from left, Ivan Haikala, Floyd McHyers, Ted Denning, John Taule and Cyrus Clark.

**Some "General Articles"  
about Farmers Home  
Administration.**

## For Okanogan stockmen

# More range = more cattle

**Wanted: Somebody to build 14 miles of fence.**

That was the ad a sextet of busy Okanogan County ranchers felt like running this spring.

They were looking at all the work laid out for them in developing range of the A & C Grazing Assn. of which they are owners.

It's the fifth season for the six-member association — the first of it's kind in the state and one of a half-dozen or so in the nation.

What makes it different is that it's financed by a Farmers Home Administration loan program designed to help small stockmen get bigger.

You see, cattle raising is a year-around business and the critters eat every day. You need a home place where you probably live, where you centralize your operations, grow feed or store the feed you buy, and where you feed your herd during the four to six snowy months of the year.

For the rest of the year you need range — owned or leased, or a permit to run stock on public lands. Range is the bottleneck — the limiting factor — the thing that keeps a small stockman from expanding.

It was a determination to do something about this limit that led a little group of Northeastern Okanogan County ranchers to form the A & C. Grazing Assn. It incorporated in 1966, applied for an FHA loan and began buying ranches in the uplands east of Tonasket. Four years later it owns about 8,000 acres of land and holds permits for nearly 400 head of cattle to run on Forest Service land.

It's enabled the six stockholders to add about 100 head of cows to each of the six operations — in most cases doubling or more than doubling the size of their herds.

The five original stockholders still in the association are President Richard Dart, Oroville; Vice President Richard Hirst, Tonasket; Secretary-Treasurer Dale Kurtz, Wauconda, and Darrell Bunch, Tonasket, and Lee Banks, Wauconda. Ray Thompson, Okanogan, bought out another original stockholder two years ago.

It looked like a good project. It was a good project. You get this 100 per cent government loan secured by what you're going to buy. You have 40 years to pay off at five per cent interest. You put your cattle on and charge yourself \$5 per animal-unit-month for the grazing. (An AMU is a month's range use for a cow plus her calf.)

Out of these grazing fees you pay the interest and principal on the loan and build up a reserve fund equal to one year's loan payment. You're not out any more than you'd have to pay for range rent anyway — if you could find any to rent.

**Yes, it sure looked like a good deal.**

There turned out to be a lot more to it, however.

John Dissmore, head of the Okanogan FHA office which handled the loan, said the job of getting the blocks of land was the biggest of all. It took scores of interviews and dickers, with nearly every deal collapsing before it could be closed, before the association began acquiring range.

In the process, the association's name, which stood for Aeneas & Chewiliken Grazing Assn., became inappropriate. The





A & C Grazing Assn. officers confer in the Okanogan Farmers Home Administration office over a map of their latest acquisition of grazing land. Shown are, from left, John Dissmore, county FHA supervisor, Dale Kurtz, secretary-treasurer, Darrel Bunch, unsalaried range supervisor and trustee, and Richard Dart, president. The six member association has put together a \$300,000 range unit which has doubled the carrying capacity of their northern county ranches.

lands finally acquired were mostly farther north than these two valleys.

The association bought 1,400 acres the first year, 3,500 in 1967 and 2,700 last year using four FHA loans totaling just over \$300,000.

The operation of all that range wasn't automatic. Far from it. The first two seasons the association rescinded the old grainfields in the purchased land. Fences had to be built or repaired and stock water developed to help spread cattle use over the grazing land.

The seedings were grass — principally brome or orchard grass. Along with the seeding went fencing — boundary fence to keep other stock out and cross-fencing so cattle could be moved from area to area for best use and conservation of the grazing. Old buildings which looked hazardous to stock were torn down.

They got help with the layout from Mike Medford of the Tonasket Soil Conservation Service office. The Agricultural Stabilization and Conservation Service made cost-sharing payments on some of the work. The state and Forest Service cooperated with association improvements on the public lands involved.

There was nothing in the financing for overhead or labor. So guess who did the work. That's right. The stockholders.

The pinch in this, according to Dart, was that each of them already had a ranch.

"We had full time jobs as it was," Dart said. "But we managed to get together and do what had to be done on the association land."

By agreement Darrel Bunch took on the non-salaried supervision job they didn't have money to hire done. He kept an eye on the range, took notice of work needed and arranged the work parties that got it done. Dissmore said the arrangement was satisfactory to the FHA which would have insisted on a full-time paid manager if the association and range had been bigger.

This spring, however, it looked as though the association would finally have to start hiring some of the improvement work. Bunch said there were on hand 3,800 steel posts, 80 spools of barbed wire, and 7,500 stays, the spreaders and braces that go on the wires between the posts.

It represents miles and miles of fence construction.

"We'd like to get all this used up this year," Bunch said. "It's a never-ending job."

In spite of their present responsibilities the association members would like to expand their joint area a little more before they draw the final line. The last 2,700 acres they bought was lower land which provided early range they needed to lengthen their grazing season. Some more land would allow each of them to increase his cow herd proportionately.

By FHA rules the grazing association land is operated separately from the home places which continue much as before.

The association range is for additional cattle beyond what they already had. Only these additional cattle run there. They run in a common herd, divided only to suit the needs of land management, and are sorted out by ownership only at the end of the grazing season when they go back to their separate home places.

Although their loans have 40 years to run, the stockholders expect to beat that schedule — perhaps by half, if all goes well. Already they are building up a reserve above payments. When this reaches the equivalent of the amount due in one year, payoff can be speeded up. It was \$16,000 this year.

Purchase of some of the higher range incidentally made them owners of some timber. Proceeds of any timber sale would go directly toward cutting down the loan balance. There's also some land more suitable for recreation use than grazing. Sale or lease of this might further reduce their debt.

The project has made their ranches better economic units and assures a better living for the six ranchers and their families, including 10 children still at home.



# THE FAMILY SERVICE PROGRAM

## OF THE FARMERS HOME ADMINISTRATION

Many governmental programs have been designed to combat poverty in the United States. This report describes and illustrates through photographs the unique help low-income families receive from family service specialists working in the family service program of the Farmers Home Administration of the U.S. Department of Agriculture.

FOR SEVERAL YEARS there has been a growing concern over the plight of the low-income families in the United States. The news media brought the appalling conditions of the urban poor into millions of middle-class American homes. Appalachia was cited as a "poverty area," and governmental agencies sprang up all over the country to combat the problem. Social workers in the cities began to fight the forces which have held over 3 million Americans below the "poverty level."

Lately, however, more and more citizens are coming to the realization that poverty conditions must be fought at the point of their beginning—in the rural areas. A U.S. Department of Agriculture agency, the Farmers Home Administration (FHA), administers loans and grants to rural communities to help them pull themselves up out of poverty. When the Congress passed the Economic Opportunity Act in 1964, it included Title III, Specific Program to Combat Poverty in Rural Areas.

The administrator of the Farmers Home Administration, James V. Smith, upholds the principle that poverty must be fought in the home, where ignorance of values and needs has kept thousands of rural families below the "poverty level." The most effective work in this crusade, Mr. Smith believes, may be that of the home economist who is skilled in the area of home management. Hence there exists in the FHA the family service program with a staff of 69 home economists who are demonstrating what can be accomplished through expert guidance of the self-help efforts of the rural poor.

The women who serve as family service specialists are required to have a degree in home economics; a

general knowledge of farming and the living standards of low-income rural people; and an awareness of the basic causes of economic problems of operators of family-type farms. Their purpose is to help low-income farm and other rural families—FHA borrowers—to develop resources to raise their incomes and improve their standard of living. Home economists collaborate with the families toward objectives such as the attainment of a sufficient amount and kind of food for a nutritious diet, prepared and served in a manner acceptable to family members; comfortable and convenient homes suited to family needs and resources; acceptable clothing within the family means and suited to their needs; adequate health care; educational opportunities; culturally enriching experiences; and an environment to promote satisfying relationships at home and in the community.

To best achieve these objectives, the staff of the family service program makes home visits to the borrowers' families. According to Patsy Graves, program director since March 1970, "This is the very crux of our program. When our family service specialists visit the families, they can feel that someone cares about them."

*Miss Kinter is a recent graduate of the College of Human Development, The Pennsylvania State University. Her major was consumer related studies with an option in journalism. During the summer months of 1969, Miss Kinter worked in the information division of the Farmers Home Administration, U.S. Department of Agriculture.*



The family service specialists help rural families to achieve adequate standards of nutrition, shelter, and financial resources before they attempt to bring the often submerged values of education, adequate health care, and all-round family development to the fore.

### NUTRITION

One of the challenges that the family service specialist faces is to help families make the best possible use of their nutritional resources. Because many of the families are the product of generations of poverty living, homemakers do not know how to prepare nutritious meals. Each family service specialist carries a slide set on "What Food Does for You," which she shows to homemakers in their homes. This helps her stress to families the importance of good nutrition in their diet. She follows the slide show with a home demonstration using commodity foods, showing the homemaker how to incorporate into everyday meals the Basic Four illustrated in the slides.

The family service specialist also encourages homemakers to save money by purchasing materials in bulk and preparing their own mixes rather than buying prepared mixes which are, in the long run, more expensive.

One of the most successful facets of the family service program is the creation of home gardens. Family service specialists encourage families to raise fruits and vegetables on their own property. This cuts food costs immeasurably. The specialist helps the family select the varieties of plants which will be most beneficial to them, and then instructs the homemaker about how to grow the plants most effectively. In 1968 alone, almost 5,000 families in 112 rural counties were raising much of their food in home gardens.

After the garden crop is harvested, the family service specialist aids the homemaker in storing the food. She teaches those who have freezers how to properly freeze their fruits and vegetables. She helps those without freezers learn how to can foods so that there will be no chance of botulism or food poisoning.

### SHELTER

After an extensive training period with the Farmers Home Administration, the family service specialist begins her actual casework. The FHA county supervisor, who is familiar with the families and

their problems, introduces the specialist to the family, thus making it easier for the family to accept her. Many of the homes of low-income rural people are in very poor condition, so the family service specialist usually begins by suggesting changes that the family can make to improve their living conditions. She aids families in applying for FHA loans which will help better their housing conditions. One family in Barbour County, Alabama, was extended a \$1,000 FHA loan of which \$680 went toward badly needed improvements of their house. They were able to raise and reroof the dwelling, enlarge the kitchen and one bedroom by moving walls to enclose the back porch, put in two windows, seal the house, re-floor the front porch, put asphalt siding on parts of the house where there was none, extend the chimney and kitchen flue above the roof, paint the front porch floor and window and door facings, and construct a sanitary privy. The remainder of the loan was used for farm improvements.

In most cases where the housing conditions are so poor that repairs cannot be made at a reasonable rate, the family service specialist helps the family to apply for an FHA rural housing loan. If the loan is granted, the family uses the money to buy a new home. The family service specialist helps the homemaker furnish her new home inexpensively but adequately.

In extreme cases, if the family service specialist and her supervisor, the county supervisor, feel that it is warranted by the situation, other previous loans may be extended to implement family resources.

Many homes of the rural poor are in good condition, but poor home management practices prevent them from being adequate for family needs. The family service specialist helps homemakers clean up their homes and encourages them to keep them clean. She stresses the importance of good shelter for the mental as well as physical health of the family.

### CLOTHING

With the inflationary prices of today, thousands of American homemakers are turning to making their own clothing to save money. The family service specialists also are using sewing as a money saving method. Some specialists conduct small sewing classes at both beginning and advanced levels. Some of the women who enjoy sewing and go on to advanced patterns have opened their own custom-made dress shops. In this way, they are able to bring added income into the family, as well as saving

money by making all the family's clothing. The FHA has made economic opportunity loans to homemakers who qualify to purchase sewing machines.

### FINANCIAL RESOURCES

The family service specialists are able to open up to rural families countless opportunities for financial resources. Since the basis of the family service program is supervised credit, the specialist can help the family apply for many types of loans from the Farmers Home Administration, a supervised credit agency in the U.S. Department of Agriculture. Other government agencies offer services about which she can inform families—such as job employment centers. In 1968, family service specialists referred 374 people to local job employment centers where they were able to find jobs.

### BUDGET MANAGEMENT

The family service specialist helps homemakers learn to budget their money wisely. The family service program has found that many families are living below the poverty level not because of extremely low income but because of poor budgeting. Each homemaker is given a record book in which she can make entries. If she runs into difficulty, the family service specialist is always in the area and can be called on for help.

When the family service specialist has helped the family realize the importance of proper shelter, nutrition, and financial resources, and has discussed clothing and budget management with the homemaker, she begins to bring to the fore the values of education, adequate health care, and all-round family development.



*The wife of an FHA borrower, right, learns record-keeping from Mrs. Leolia G. Spaugh, family service specialist in Raleigh, North Carolina.*



*Mrs. Van Valkenburgh, family service specialist in Albuquerque, New Mexico, teaches a Navajo Indian mother and daughter how to make cookies using some commodity foods.*



*These children obviously are proud of the clothes their mother made for them after she had received instructions from Mrs. Alice S. Pharis, the family service specialist shown here. Mrs. Pharis, of Alexandria, Louisiana, also helped the family provide storage space for clothing in a remodeled older house.*

### EDUCATION

This value often is not developed in poor rural families. The parents frequently do not have above an elementary school education and find it difficult to understand why, if they have the ability, their children should continue their education above the high school level. It is the job of the family service specialist to educate families in the importance of education—to emphasize to them that an education



is a stepping-stone to a better way of life. Families with preschool children are encouraged to enroll their children in the Head Start Program. Families with children who have dropped out of school are encouraged to help these children join the Job Corps or a Neighborhood Youth Corp, if they cannot be persuaded into returning to school. High school graduates are encouraged to continue their education either in colleges or vocational schools. The family service specialist makes the family aware of the financial aids available, such as National Defense Education Loans or local loans or scholarships. In 1968, family service specialists were able to help 283 students receive National Defense Education Loans with which to continue their educations.

Adults also are encouraged to receive additional education in adult classes in subjects which interest them. In 1968, family service specialists helped 1,386 adults enroll in adult education courses.

*Virginia L. Rodriguez, family service specialist in Espanola, New Mexico, informs this mother and father about the supplemental food program for infants and children under five years of age.*



## HEALTH CARE AND SANITATION

Poor health standards are common among the rural poor. Many families use home remedies rather than consult a physician, and this often results in serious consequences for family members. The family service specialist, with contacts in the public health center, helps the family receive the health care that it needs. She encourages parents to take preschool children to the center for immunization

shots and periodic check-ups. She helps the family receive compensation for disabled or chronically ill members. Many families do not realize the opportunities that are available to help them develop good health standards; the family service specialist makes them aware of these opportunities. She helps the family members see the appropriate health authorities to determine if they need glasses, orthopedic aids, treatment for disease, or operations.

The family service specialist is valuable in advising families on home health practices. Homemakers are cautioned about the importance of adequate clothing for their children at all times of the year and the importance of proper footwear to prevent hookworm. The specialist helps the homemaker become aware of the reasons for the necessity of sanitary conditions in food preparation, toilet facilities, and general cleanliness over the entire house and yard.

## ALL-ROUND FAMILY DEVELOPMENT

When a family has developed adequate housing, nutrition, and financial resources, has learned the importance of proper clothing and good budget management, and has brought values of education and health care to the fore, all-round family development is almost sure to follow. With the necessities of life under control, family members are able to take advantage of the opportunity to develop themselves as a unit and as individuals.

## SUMMARY

The family service specialist is referred to Farmers Home Administration borrowers whose homes show a lack of sanitation and good home management practices and whose diets lack minimum nutritional content. The families' knowledge of good health habits also is minimal. In addition, these families have low incomes and are at a disadvantage monetarily.

The family service specialist carries out the vital role of providing needed family services to these selected low-income and disadvantaged farm and other rural families. She works with those poor families who do not respond to the type of home management services generally made available to homemakers through other agencies. Through the loan program, she has an entree with these families that is not available to other family service workers. This unique combination of services makes the family service program an outstanding success and a credit to the Farmers Home Administration in the U.S. Department of Agriculture.



*Mrs. Yvonne B. Campbell, family service specialist in Kingstree, South Carolina, completes the entrance application to an area trade school for the son of an FHA borrower.*







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